

## *Special Provisions*

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### *If You Reside In...*

#### ■ **Canada**

Regular U.S. employees who are residents of Canada may elect to enroll for Optional Canadian Health Care Coverages (OCHCC). This is a *permanent election as long as you remain a resident of Canada*. You may re-enroll in the Delphi Salaried Health Care Program if you move from Canada.

The OCHCC includes coverage for medical, dental, and vision services that supplements the Canadian National/Provincial coverage. It also includes an optional Comprehensive Medical Expense Insurance Program (CMEIP) component.

More detailed information regarding the above provisions is available from the National Benefit Center.

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## *Long-Term Care Insurance*

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The Long-Term Care (LTC) Insurance Plan is a welfare benefit plan that, if elected, provides long-term care insurance to salaried employees, their eligible spouses, parents, and parents-in-law. LTC is designed to provide a degree of protection against the cost of care you might need if you were to require assistance from another person in caring for yourself as a result of an accident, illness, or effects of aging. It could provide benefits for a variety of services, including care in an assisted living facility, a nursing home, or adult day care setting as well as assistance with activities of daily living at home. The John Hancock Life Insurance Company of Boston, Massachusetts offers and underwrites the LTC Insurance. You are provided the opportunity to apply for coverage and remit payments to John Hancock through payroll deduction. Participation is completely voluntary.

### *Eligibility*

All salaried employees are eligible to apply for LTC Insurance after the first day of the second month following date of hire. Additionally, your spouse (issue age 18 or older), your parents, and your parents-in-law may apply separately for LTC Insurance by contacting John Hancock directly. John Hancock will notify you whether your application is approved or declined. Monthly LTC Insurance premium payments for you and/or your spouse are on an after-tax basis through payroll deduction. Monthly LTC Insurance premium payments for your parents and parents-in-law are on a self-pay basis directly to John Hancock.

### *Delphi's Involvement*

Without promoting the services John Hancock provides, Delphi allows John Hancock to communicate features of its services to all salaried employees and to collect monthly premiums for employee-elected coverages through payroll deduction and remit them to John Hancock. The LTC Plan is governed by ERISA.

While Delphi is the sponsoring employer of the LTC Insurance, John Hancock is the claims fiduciary and:

- Is responsible for all payment of benefits under the policy;
- Is responsible for decisions regarding the payment of benefits under the policy;
- Is responsible for all decisions regarding the appeal of denied claims; and
- Has discretionary authority to interpret, apply, and construe the provisions of the policy with regard to claims issues.

Delphi does not guarantee and is not responsible for payment of any LTC benefits. The decision to purchase LTC Insurance is solely your responsibility. You should not interpret the availability of this option as a recommendation by Delphi for the purchase of it.

### *Types of Services*

LTC Insurance covers an assortment of services, as follows:

- All levels of nursing home care — skilled, intermediate, and custodial — provided in a licensed nursing home
- Custodial care in an alternate care facility.
- A temporary bed-holding benefit. This holds a bed in a nursing home or alternate care facility for up to 14 days if the insured should have to go into a hospital while receiving plan benefits.
- An alternate plan of care if it is recommended and approved by a Patient Advocate at John Hancock and it appears to be more cost effective and appropriate. For example, payment could be approved to have a doorway to the bathroom widened to improve wheelchair access so that an insured person could remain at home instead of having to go into a nursing home.

- The following home health care services:
  - Care provided by a registered nurse, licensed practical nurse, or licensed vocational nurse;
  - Services provided by a qualified home health aide for the purpose of assisting in activities of daily living;
  - Physical, respiratory, occupational, or speech therapy provided by a licensed therapist;
  - Nutrition counseling provided by or under the supervision of a registered dietitian;
- Adult day care, including a range of medical and support services provided by a qualified adult day care center.

*Home health care or adult day care services provided by a family member or by a person who ordinarily lives in the insured's home are not covered.*

- Informal care by a licensed or unlicensed caregiver, including a family member who ordinarily lives in the insured's home. Covered services include:
  - Assistance with activities of daily living such as bathing or dressing.
  - Maintenance of the home environment through the following services: shopping, menu planning, meal preparation, and light housekeeping.
  - Personal supervision for the protection of a cognitively impaired person.

The plan also pays benefits when nursing home care, alternate care facility, home health care, adult day care, or informal care is needed for respite care. Respite care is short-term care that provides temporary relief to a family member or other informal caregiver.

## Coverage Options

Three levels of Daily Maximum Benefit (DMB) amounts will be available. These options represent the maximum daily amount and the corresponding Lifetime Maximum Benefit amount the plan may pay for covered care received while you are insured.

The maximum benefit for each covered day at an alternate care facility is 75% of the daily maximum benefit. The maximum benefit for each covered day of home health care and/or adult day care is 60% of the Daily Maximum Benefit. The maximum benefit for each covered day of informal care is 25% of the Daily Maximum Benefit. The total of benefits payable for all informal care received in any calendar year is 30 times the informal care daily maximum benefit.

The Lifetime Maximum Benefit (LMB) is the most the plan may pay for all covered expenses incurred while you are insured. Think of it as a pool of money against which benefits may be drawn according to the schedule of benefits for the option elected.

Your coverage choices are as follows:

	DMB Option and Nursing Home DMB	Alternate Care Facility* DMB	Home Health/ Adult Day Care** DMB	Informal Care*** DMB	Lifetime Maximum Benefit
1	\$ 75.00	\$ 56.25	\$45.00	\$18.75	\$140,000
2	\$105.00	\$ 78.75	\$63.00	\$26.25	\$195,000
3	\$150.00	\$112.50	\$90.00	\$37.50	\$275,000

\* If you are a resident of Kansas, this benefit varies slightly (call 1-800-611-9532 for details)

\*\* Washington refers to this as Adult Day Health Care.

\*\*\* The total of benefits payable for all informal care received in any calendar year is 30 times the Informal Care DMB.

## Reduced Paid-Up Benefit (Non-Forfeiture Benefit)

In addition to choosing your DMB level, you have the choice of including a Reduced Paid-Up Benefit (Non-Forfeiture Benefit) in your coverage for an additional cost. The Reduced Paid-Up Benefit (Non-Forfeiture Benefit) will allow you to stop making premium payments after paying premiums for at least three years and retain a reduced level of coverage. If you exercise this benefit, you will keep your full DMB amount, but the LMB will be reduced. Your reduced LMB will equal the greater of 30 times your nursing home DMB or the sum of premiums paid in.

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## ***When Benefits Are Needed***

When an insured person needs long-term care services, the Delphi SHCP should be reviewed in addition to calling the John Hancock Long-Term Care Customer Service Center. The John Hancock Patient Advocate, a registered nurse with extensive knowledge in the long-term care field, will determine whether the insured qualifies for Long-Term Care benefits.

The insured person will be certified for benefits when a Patient Advocate determines him/her to be cognitively impaired or dependent in at least two of six Significant Activities of Daily Living (SADLs) due to a covered condition. The insured person will be eligible for benefits after completing a 90-day qualification period.

## ***Cognitively Impaired***

A person is cognitively impaired if he/she has a deterioration or loss of intellectual capacity due to an organic brain disorder that requires continual supervision for the protection of the person or others. Alzheimer's disease is an example of an organic brain disorder.

## ***Dependent in a SADL***

A person is dependent in a SADL if he/she needs substantial assistance from another person to perform SADL due to loss of functional capability that is expected to continue for at least 90 days. The six SADLs are:

- Bathing;
- Dressing;
- Eating;
- Maintaining continence;
- Toileting; and
- Transferring from bed to chair.

The Patient Advocate considers the person's cognitive and physical ability to perform these activities independently and appropriately without supervision or help from another person. For example, if the insured can't bathe or eat without substantial assistance from another person and that assistance is expected to be needed for at least 90 days, he/she will be considered to be dependent in these activities.

## ***The Patient Advocate will:***

- Assess long-term care needs;
- Determine level of cognitive impairment or dependence in the SADL for certification for benefits;
- Suggest types of facilities or care providers suited to the situation; and
- Research and provide a list of long-term care resources for you and your family.

## ***Qualification Period***

A claimant must complete a 90-day qualification period before being eligible for benefits. The qualification period starts on the date the person is determined to be SADL-dependent or cognitively impaired and ends 90 days later as long as the person stays certified during this time. The person doesn't have to receive long-term care services or be hospitalized at any time during this period. The plan will pay benefits for covered charges incurred after the qualification period is met as long as the person remains certified. Benefit payments are determined by John Hancock in accordance with the terms of the policy.

## ***Waiver of Premium***

Premium payments will be waived once a person becomes certified for benefits, has completed the qualification period, and incurred at least 30 days of covered expenses other than informal care. The claimant will not need to make any further premium payments until he/she is no longer certified. This payment "break" is known as a waiver of premium.

## ***Coordination of Benefits (COB)***

To prevent duplication of benefits, the Delphi Automotive Systems Long-Term Care (LTC) Insurance Plan contains a Coordination of Benefits (COB) provision. COB may reduce or eliminate the benefits otherwise payable under the plan with respect to benefits payable under another plan. COB does not apply to Medicare, Medicaid or individual LTC policies. However, no benefit will be payable under the policy for any charge to the extent that a benefit is payable for that charge under Medicare or would be payable under Medicare but for the coinsurance and deductible provisions.

## *When Coverage Becomes Effective*

Your effective date of coverage will be the first month after your application is approved, whichever is later. If you are an eligible employee who is not actively at work on the date your coverage would otherwise have become effective, your coverage will not become effective until the first of the month following your return to work on a regular basis. If you are an eligible person other than an eligible employee and you are disabled on the date your coverage would otherwise have become effective, your coverage will not become effective until the first of the month following the date you are no longer disabled, provided you are still eligible.

## *Exclusions*

To keep your coverage more affordable, some exclusions apply. No benefits will be payable for services received due to the following conditions and circumstances:

- Mental or emotional disorders without demonstrable organic disease. This includes, but is not limited to, neurosis, psychoneurosis, psychopathy, and psychosis. This exclusion does not apply to Alzheimer's disease or other organically caused brain disorders;
- Intentionally self-inflicted injury;
- Treatment specifically provided for detoxification or rehabilitation of alcoholism or drug abuse;
- Conditions caused by:
  - Committing or attempting to commit a felony,
  - Engaging in an illegal occupation,
  - Participating in an insurrection or riot;
- Conditions caused by war, declared or not, or any act of war, or service in any armed forces or auxiliary units;
- Care or treatment provided outside the United States. (The United States includes only the 50 states and the District of Columbia.);
- A service or supply furnished primarily to beautify;

- A service or supply furnished by or covered as a benefit under a program of any government or its subdivisions or agencies, except:
  - A program established by the federal government for its civilian employees,
  - Medicare, and
  - Medicaid (any state medical assistance program under Title XIX of the Social Security Act as amended from time to time); and
- A service or supply for which a charge would not have been made in the absence of insurance.

These exclusions may not apply in all states, and may vary depending on the state in which you live. The Certificate of Insurance you receive once you are approved for coverage will outline the exact exclusions for your state. If you move to another state, the state guidelines where the Certificate of Insurance was originally delivered to you will apply.

## *Continuation of Coverage*

As long as premiums are paid when due and the Lifetime Maximum Benefit amount has not been used up, Long-Term Care Insurance coverage may be continued by John Hancock, or a successor Carrier, even though the insured employee's employment or affiliation with Delphi is broken. In such a case, if premiums were being paid through payroll deduction, John Hancock will bill directly.

## *Important Information*

### *Notice*

This is only a summary of the Long-Term Care Insurance available; it does not cover all the details. The Certificate of Insurance that is issued to you when you become approved for coverage contains the detailed statement of the terms and conditions of your insurance coverage. If there is any conflict between the information contained herein and the Certificate of Insurance, the terms of the Certificate will control.

LTC is offered through an insured policy issued by John Hancock Life Insurance Company to Delphi. John Hancock is solely responsible for payment of benefits in accordance with the terms of the policy. Delphi does not guarantee and is not responsible for payment of any LTC benefits.

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Please note that plan provisions may be changed or deleted in order to satisfy state requirements or other legal requirements. Delphi reserves the right to discontinue or change these benefits at any time. In the event that benefits are changed, except to comply with legal requirements, John Hancock will allow existing insureds to continue their coverage. In the event the group policy is terminated or the LTC plan is discontinued, existing insureds may continue their coverage under a replacement policy or under a conversion policy issued by John Hancock.

Coverage is provided under Policy #28293-LTC issued on form GPB-COV-0002 to Delphi Automotive Systems Corporation and underwritten by John Hancock Life Insurance Company, Boston, MA 02117.



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Questions regarding **Long-Term Care Insurance** should be directed to John Hancock at 1-800-611-9532.

Additional numbers: Hearing impaired employees: **1-800-255-1808 (TTY)**,  
Outside the United States: **1-617-572-2870**

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## *While You Are Disabled*

If you become disabled and are unable to work, you may be approved for a disability leave of absence. To be granted a disability leave, you must furnish medical evidence satisfactory to Delphi that you are unable to perform your job responsibilities as a result of disability.

In the usual case, you will continue to receive your regular salary for the first week of your disability. Thereafter, while you remain disabled and furnish medical evidence satisfactory to Delphi, you may, depending upon your length of service, receive (1) salary continuation and Sickness and Accident benefits combined for up to six months and (2) continuing Sickness and Accident benefits for up to 12 months. Extended Disability Benefits may be payable thereafter. Social Security Disability Insurance Benefits (SSDIB) also may become payable.

If you are totally and permanently disabled, monthly benefits also may be payable to you from the Salaried Retirement Program. If your disability was caused by an accident, and you elected Personal Accident Insurance, and your disability meets the definition of total and permanent disability under the Personal Accident Insurance plan, monthly benefits also may be payable from that plan. In addition, you may be eligible to receive a distribution of your account, if any, under the Savings-Stock Purchase Program.

If you lose a body member through accidental means, additional benefits may be payable under the Personal Accident Insurance plan if you have elected such coverage.

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## *Sickness and Accident Benefits*

### *If You Are in a Classified Salaried Position*

You are covered for Sickness and Accident benefits on the first day of the sixth month following the month in which you commence working with Delphi. If you are not actively at work on the day your coverage otherwise would start, coverage commences on the day you return to active work.

While you are unable to work because of sickness or injury and you are being treated by a physician legally licensed to practice medicine, Sickness and Accident benefits may be payable for as long as 12 months. Sickness and Accident benefits also may be payable if you are (1) disabled from surgery for sterilization, or (2) hospitalized for testing to determine your suitability to be a donor for an organ or tissue transplant.

**To receive Sickness and Accident benefits,** you must be totally disabled thereby preventing you from performing the duties of your occupation and must give written notice of any sickness or injury within 20 days after the onset of disability. Generally, Sickness and Accident benefits begin after a seven-day waiting period, provided you have been treated by a physician legally licensed to practice medicine or the plant medical department during the first seven-days of disability. Your salary may be continued during the seven-day waiting period. If you have not been treated within the first seven days of disability, sickness and accident benefits would be payable as of your first date of treatment. Also, you must provide proof of your injury or sickness to the Carrier within 90 days after the termination of the period for which monthly benefits are payable.

Monthly benefit amounts are determined by your monthly base salary. Base salary, for purposes of Sickness and Accident benefits, includes the premium for necessary continuous seven-day operations, but does not include overtime, night-shift premium, or any other payments.

Benefits generally are payable on your regular payday. These benefits may be supplemented by salary continuation, as shown in the table on page 79.

Your monthly benefit amount is equal to 75% of your monthly base salary for periods of disability commencing after you attain one year's length of service. Your monthly benefit amount is equal to 60% of your monthly base salary for periods of disability commencing prior to your attainment of one year's length of service.

Sickness and Accident benefits are payable for a period based on your (1) Delphi length of service, or (2) years of participation under the Life and Disability Benefits Program, if greater (see page 77).

For each month of service, you may receive one monthly benefit, up to a total of 12 monthly benefits. If your Delphi service is less than 12 months, benefits may continue up to 12 months while you are hospitalized, or receiving workers' compensation payments from Delphi.

If you return to work before the end of the maximum period for which you are eligible to receive Sickness and Accident benefits, and are absent again within three months because of the same or a related disability, benefits resume where they left off. For example, if you were disabled and received Sickness and Accident benefits for four months, returned to work and then became disabled again two months later from the same or a related condition, you would be eligible for eight additional months of benefits, without a new waiting period. If your second period of disability results from a different cause, the first absence does not affect the benefits, or waiting period, for the second absence.



Sickness and accident benefits are reduced by:

- Primary Social Security Disability Insurance Benefits (SSDIB) or unreduced Social Security Old Age Insurance (including retroactive amounts paid for the same period of disability);
- Certain workers' compensation payments;
- Any unemployment compensation payments to which you are entitled for the same period you receive Sickness and Accident benefits;
- Any payments made under the Corporation's salary continuation policy or any other salary payments that may be made in connection with any Corporation incentive separation plan or the Separation Allowance Plan.

You may be required to apply for SSDIB if your disability is expected to continue for a year or longer.

**You may be required to be examined** by a doctor, clinic, or other medical authority for the purpose of verifying disability, at any time you may be eligible to receive Sickness and Accident benefits, Extended Disability Benefits, Supplemental Extended Disability Benefits, or Personal Accident Insurance benefits. Generally, if you are found able to work, your benefits will be discontinued. Failure to report for the examination may affect any eligibility you may have for benefits. You will be reimbursed, upon request, at 31¢ per mile for travel to and from the examination, if your residence is more than 40 miles (one-way) from the examiner's office.



To apply for **Sickness and Accident Benefits**, you must complete a claim form provided by the **National Benefit Center**.

You may contact the center, toll-free, at 1-800-734-0346 or 1-800-882-3563 for the hearing or speech impaired.

In certain states, employees in either classified or executive salaried positions may be eligible under a statutory disability benefits law for disability benefits for time lost from work. **If you are an employee working in California, New Jersey, or New York**, certain modifications in your Sickness and Accident benefits, or salary continuation payments during disability, are explained in a special enclosed insert.

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## ***Extended Disability Benefits and Supplemental Extended Disability Benefits***

If you continue to be disabled after you receive Sickness and Accident benefits and/or salary continuation payments for the maximum period and you continue to be a Delphi employee, you may be eligible to receive monthly Extended Disability Benefits.

**You are covered** for Extended Disability Benefits on the first day of the sixth month following the month in which you commence working with Delphi. If you are not actively at work on the day your coverage otherwise would start, coverage commences on the day you return to active work.

To receive Extended Disability Benefits, you must (1) be totally disabled so as to be unable to engage in any regular employment with Delphi at the location where you last worked, and (2) not be working elsewhere.

**Monthly benefit amounts** are determined by your monthly base salary. Base salary, for purposes of Extended Disability Benefits, includes the premium for necessary continuous seven-day operations, but does not include overtime, night-shift premium, or any other payments.

Your monthly benefit amount is equal to 60% of your monthly base salary.

**Extended Disability Benefits are payable** for a period based on your Delphi years of participation under the Life and Disability Benefits Program (see page 116).

- **If you have 10 or more years of participation when you become disabled**, benefits are payable until recovery or death, but not beyond age 65.\*

- **If you have less than 10 years of participation when you become disabled**, benefits are payable until recovery, death, or, if less, for a period equal to your years of participation at the commencement of disability (less the period during which Sickness and Accident benefits or salary continuation payments are received), but not beyond age 65.\*

\* *However, if you become disabled at or after age 63, you may receive Extended Disability Benefits for a period of time beyond age 65.*

In addition, **if you are covered for Extended Disability Benefits, but have less than 10 years of participation in the Life and Disability Benefits Program**, you may elect to purchase Supplemental Extended Disability Benefits coverage under the Delphi Options! Program.

As the name implies, Supplemental Extended Disability Benefits coverage is intended to supplement the Delphi Extended Disability Benefits for shorter service employees. You may elect Supplemental Extended Disability Benefits during the Delphi Options! Program enrollment period, **only if on January 1 of the following year, you will have at least six months but less than 10 years of participation**. If eligible, Supplemental Extended Disability Benefits would be available to you on a pre-tax, self-paid basis. Employee contributions and coverage for Supplemental Extended Disability Benefits would not commence until you have acquired 13 months of credited service under the Retirement Program for salaried employees.

All Extended Disability Benefits plan provisions also apply to Supplemental Extended Disability Benefits. However, receipt of Supplemental Extended Disability Benefits does not extend eligibility for health care and life and disability coverage.

To be eligible for a Supplemental Extended Disability Benefits payment, you must have (1) elected Supplemental Extended Disability Benefits under the Delphi Options! Program, (2) made at least one monthly contribution, and (3) exhausted maximum Extended Disability Benefits.

If you are eligible, Supplemental Extended Disability Benefits provides you with disability benefits equal to 60% of your monthly base salary in effect as of September 1 of the year prior to your first day of disability. Supplemental Extended Disability Benefits will begin when your Extended Disability Benefits are exhausted. The length of time the benefit is paid may continue until the earliest of recovery from your qualifying disability, age 65, or death. This additional coverage will provide you with the maximum duration of Extended Disability Benefits available to employees with 10 or more years of credited service.

**Extended Disability Benefits and Supplemental Extended Disability Benefits are reduced by:**

- Any monthly Part A benefits and Part B supplementary benefits (see pages 84 - 98) for which you may be eligible under the Delphi Salaried Retirement Program;
- Any benefit for which you are eligible under any other Delphi retirement or pension plan;
- Any salary payments that may be made in connection with any Corporation separation plan;
- Governmental benefits, such as workers' compensation;
- Certain social security benefits; and
- Any federal or state lost-time disability benefits.

Increases in any of these benefits payable after Extended Disability Benefits or Supplemental Extended Disability Benefits commence will not be deducted, unless the increase represents an adjustment in the original determination of the amount of such benefit. A retroactive award of any of these benefits will create an overpayment of Extended Disability Benefits or Supplemental Extended Disability Benefits that were paid for the same period of disability. (See page 115 for Recovery of Benefit Overpayments.)

For both Extended Disability Benefits and Supplemental Extended Disability Benefits, you will be required to apply for Social Security Disability Insurance Benefits (SSDIB) under a special procedure designed to handle the offset of SSDIB against Extended Disability Benefits. You also will be required to repay any overpayment incurred due to receipt of an SSDIB award.

## ***Social Security Disability Insurance Benefits***

If you become disabled before age 65, you may be eligible for disability insurance benefits from Social Security. Your nearest Social Security office can tell you if you qualify. Benefits may be payable after you have been disabled for five full calendar months.

The amount of Social Security benefits payable because of disability generally is in accordance with the schedule set forth on page 95 for benefits payable at age 65.

It is important for you to apply for Social Security Disability Insurance Benefits (SSDIB) for these reasons:

- Failure to obtain an SSDIB award may result in a lesser Social Security old age benefit.
- Your dependents also may qualify for Social Security benefits.
- Your Social Security benefits may be increased annually to reflect cost-of-living increases.
- You become eligible for Medicare after receiving 24 months of SSDIB. If you become enrolled in Medicare Part B, you may become eligible for payment of a monthly Special Benefit under the Delphi Salaried Health Care Program (see page 66).
- If you are receiving SSDIB and return to work you may be eligible to continue these benefits, in addition to your salary, up to 12 months. You should contact your nearest Social Security office for additional information.
- SSDIB awards are given favorable federal tax treatment, under current tax laws.

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If you are receiving Sickness and Accident, Extended Disability Benefits or Supplemental Extended Disability Benefits, you may be required to complete an authorization form that allows the Social Security Administration to inform Delphi of the status of your claim for Social Security Disability Insurance Benefits. If you fail to complete this authorization, your Sickness and Accident or Extended Disability Benefits or Supplemental Extended Disability Benefits will be suspended until the authorization is received.



To apply for Extended Disability Benefits, you must complete a claim form provided by the National Benefit Center.

You may contact the center, toll-free, at 1-800-734-0346 or 1-800-882-3563 for the hearing or speech impaired.

### *Illustration of Salary Continuation, Sickness and Accident Benefits (S&A), and Extended Disability Benefits (EDB) for Eligible Salaried Employees*

<i>Types of Disability Payments for Periods Shown Below</i>				
Length of Service <sup>(1)</sup>	Full Salary <sup>(2)</sup>	S&A and Salary Combined Equal to Full Salary <sup>(3)</sup>	Maximum S&A Benefits Payable	Maximum EDB Payable
Less than 1 year	1st week	—	Up to 12 months	None <sup>(4)</sup>
1 year but less than 5 years	1st week	Next 7 weeks	12 months	For a period equal to years of participation (if under 10) less the period S&A and/or salary continuation paid <sup>(5)</sup> but not beyond age 65 <sup>(6)</sup>
5 years but less than 10 years	1st week	Next 12 weeks	12 months	
10 or more years	1st week	Next 25 weeks	12 months	To age 65 <sup>(6)</sup> (if years of participation are 10 or more)

- (1) At commencement of disability.
- (2) For this purpose, full salary includes base salary and the premium for necessary continuous seven-day operations, but does not include overtime, night-shift premium, or any other payment.
- (3) The combined payments equal 25% salary continuation and 75% Sickness and Accident benefits. For this purpose, full salary includes base salary and the premium for necessary continuous seven-day operations, but does not include overtime, night-shift premium, or any other payment.
- (4) If you elected Supplemental Extended Disability Benefits, employee contributions and coverage will not begin until you have acquired 13 months of credited service under the Retirement program for salaried employees.
- (5) If you are covered for Extended Disability Benefits, but have less than 10 years of participation in the Life and Disability Benefits Program, you may elect to purchase Supplemental Extended Disability Benefit coverage under the Delphi Options! Program.
- (6) If you become disabled at or after age 63, you may receive Extended Disability Benefits for a period of time beyond age 65.

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<i>Example of Delphi Disability Income Benefits</i>		
A Delphi employee with more than 10 years of service becomes totally and permanently disabled in February 2001. The following table illustrates the monthly benefits the employee would receive assuming a final monthly base salary of \$4,100.		
Period Payable	Type of Disability Income Benefit	Monthly Benefit Amount
1st 6 months	Salary continuation (25%)	\$1,025.00
	Sickness and accident (75%)	\$3,075.00
	<b>Total</b>	<b>\$4,100.00</b>
2nd 6 months	Sickness and accident (75%)	\$3,075.00
After 12 months	Extended disability (60%)	\$2,460.00
This employee also may be eligible to receive:		
<ul style="list-style-type: none"> <li>■ Monthly total and permanent disability benefits under the Retirement Program (see page 89).</li> <li>■ Their entire account balance under the Savings-Stock Purchase Program after one year of disability.</li> </ul>		

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## *Other Benefit Program Coverages While on Disability Leave*

### *Health Care Coverages*

Delphi will continue contributions towards your health care coverages while you remain totally and continuously disabled and you remain on an approved disability leave. If while you are receiving Sickness and Accident or Extended Disability Benefits the period of disability exceeds your length of service, health care coverage will be continued. However, receipt of Supplemental Extended Disability Benefits does not extend the continuation period. Note also that for this coverage to remain in effect you must continue to pay the applicable monthly employee contribution, if any.

### *Savings-Stock Purchase Program*

You may continue to contribute to the S-SPP while you are on an approved disability leave and while you continue to receive salary continuation payments. If you are eligible, you may contribute for a period of up to six months, and such contributions will be based on salary continuation payments of 25% of your monthly base salary.

Delphi contributions continue to vest while you remain on disability leave. You retain the usual withdrawal, fund exchange and loan privileges. You must, however, continue to make your loan repayments to the Program.

### *Life and Disability Benefits Coverages*

Corporation contributions for Basic Life Insurance, Sickness and Accident, and Extended Disability Benefits coverages will be continued:

- For any period you are entitled to receive Sickness and Accident benefits or salary continuation payments while you are totally disabled;
- And thereafter, while you are totally and continuously disabled and remain on an approved disability leave, but not to exceed a period equal to your years of participation (see page 116) as of the first day of disability.

Also, in the event your disability leave is canceled because the period of the leave equaled your length of service, life and disability benefits coverages may be continued while you are entitled to receive monthly Extended Disability Benefits. Delphi will make contributions for these coverages during these periods. However, receipt of Supplemental Extended Disability Benefits will not extend continuation of Life and Disability Benefits coverage.

If your disability leave is canceled because you recovered, and you again become totally disabled within three working days of the date your leave was canceled, so as to be unable to work, life and disability benefits coverages to which you were entitled will be continued under these circumstances. If you are returned to an approved disability leave, Delphi will make contributions for these coverages while you remain totally disabled. However, coverage cannot continue beyond the period equal to your years of participation as of your first day of disability.

You will need to pay the required monthly contributions to continue Optional Life, Dependent Life and Personal Accident Insurance while your Basic Life Insurance remains in force.

If you have 10 or more years of participation at the commencement of your disability, your Basic Life Insurance will be continued at no cost to you while you are totally and permanently disabled prior to age 65.

### *Accelerated Benefits Options*

If you are diagnosed as having a terminal illness with a life expectancy not to exceed 12 months, you may be eligible to receive an accelerated benefits option payment of up to 50%, but not less than \$1,000, of your Basic Life Insurance. However, if your Basic Life Insurance will be reduced within twelve months of the date the accelerated benefits option payment is approved, such payment will be limited to 50% of the fully reduced amount of Basic Life Insurance.

The total of an accelerated benefits option payment and the amount of Basic Life Insurance payable at your death may never exceed the amount of Basic Life Insurance which would otherwise have been payable without the accelerated benefits option payment.

**An accelerated benefits option payment will be made** (1) as of the date the insurance company certifies all eligibility requirements are met, (2) only once, regardless of the amount elected, (3) only in one lump sum and (4) only if you are living when payment is made.

**An accelerated benefits option payment will be reduced by** any benefits paid to you under any Delphi benefit plan which should not have been paid or should have been paid in a lesser amount.

**An accelerated benefits option payment will not be made if** (1) your Basic Life Insurance is not in force, (2) you are making contributions for Basic Life Insurance, (3) all or a portion of your Basic Life Insurance is to be paid to a former spouse and/or child(ren) as part of a divorce agreement, (4) the amount of payment would be less than \$1,000, (5) you previously received payment of Basic Life Insurance as an accelerated benefits option, regardless of the amount paid, (6) you are not living as of the date the insurance company certifies all eligibility requirements are met or (7) you have assigned all or a portion of your Basic Life Insurance to another party.

**You may be required to be examined by a** physician or physicians designated by the insurance company, at the insurance company's expense, for the purpose of determining if you are terminally ill and have a life expectancy not to exceed 12 months.

**If you die** Basic Life Insurance proceeds payable to your Beneficiary will be reduced by the amount of any accelerated benefits option payment.

**To apply for an accelerated benefits option payment** you will be required to complete a claim form provided by the National Benefit Center. A form may be obtained by calling the National Benefit Center toll-free at, 1-800-435-3946 or, for the hearing or speech impaired, 1-800-872-8682.

## ***Personal Accident Insurance***

Personal Accident Insurance also may provide payment for loss of body members, hearing, speech, or eyesight. A paralysis benefit also is available if your spouse or dependent child(ren) is injured as the result of an accident.

If you become totally and permanently disabled, as defined below, as a result of an accidental injury while you are an active employee, you may be paid the full benefit amount of any Personal Accident Insurance you elected in monthly installments of 2% of that amount, less any amount paid for losses previously sustained. For benefits to become payable, you must become totally and permanently disabled within 12 months of the accident, remain so disabled for 12 months thereafter and you must submit evidence satisfactory to the insurance company of such disability. Total and permanent disability benefits, under Personal Accident Insurance, begin on the later of: (a) the first day of the month the insurance company receives satisfactory proof you are totally and permanently disabled, or (b) the first day of the month you have been totally and permanently disabled for a period of 12 months following an accident.

"Total and permanent disability" under Personal Accident Insurance means the total and permanent inability, as caused by an accidental injury, to engage in any employment or occupation for remuneration or profit, for which you are suited by reason of education, training or experience as based on medical evidence satisfactory to the insurance company. Spouses and dependent child(ren) are not eligible for this benefit.

Additional information is contained in the section "In the Event of Death" on page 99.

## ***Retirement Program***

You may continue to make regular monthly contributions to Part B, while you remain on an approved disability leave and you receive salary continuation payments.

You may continue to accrue credited service for up to 11 months while you remain on an approved disability leave, as explained on page 85.

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# *When You Retire*

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## *Your Delphi Retirement Program Is Made Up of Two Parts*

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*Part A* is non-contributory. Delphi Automotive Systems pays the entire cost. Part A provides monthly benefits for all employees who have five or more years of credited service and retire or receive deferred vested benefits under the Program. Monthly retirement benefits also are payable when you retire at age 65, or older, based on your credited service. Part A may consist of:

- Basic benefits;
- Temporary benefits; and
- Supplements.

*Part B* is contributory. To receive full Part B benefits, you must (1) contribute at all times while eligible, and (2) leave your contributions in the Program. Part B provides you with an opportunity to build up substantial additional monthly benefits, consisting of:

- Supplementary benefits, which are based on your (1) years of Part B credited service, and (2) average monthly base salary over the highest 60 months during the 120 months immediately preceding retirement; and
- Primary benefits, which are based on the amount you contribute.

While you are required to contribute to participate in Part B of the Program, Delphi also contributes in the aggregate, about 85% of the cost of this part of the Program.

### *Eligibility*

#### ■ To Participate

In general you are eligible to participate in Part A automatically when you become a regular Delphi salaried employee.

#### ■ Part B

You are eligible to contribute under Part B when you have attained (1) age 21, and (2) six months of continuous service.

Your Part B contribution is 1.25% of your eligible monthly base salary in excess of \$3,000. When you elect to participate in Part B, your contribution is deducted (after-tax) from your salary each month. Your Part B contributions are limited to 35 years.

#### ■ To Retire

You are eligible to retire under normal retirement provisions when you attain age 65.

You may retire voluntarily at (1) any age if you have 30 or more years of credited service\*, or (2) age 55 with 10 or more years of credited service.

If you have 10 or more years of credited service, you may retire at any age prior to age 65 if totally and permanently disabled.

\* This provision is not applicable to a salaried employee hired on or after January 1, 1988.

## Credited Service

Your credited service is used in determining your Part A benefits.

Your Part A credited service also is used in determining your Part B supplementary benefit, provided you (1) contribute to Part B at all times while eligible, and (2) do not withdraw your contributions.

**If you contribute to Part B only part of the time while eligible**, your credited service used in determining your Part B supplementary benefit generally would not include any period when you did not contribute.

**If you never contribute to Part B while eligible**, you will not have any credited service to be used in determining any Part B benefits. **If you withdraw your contributions to Part B prior to retirement**, you will not have any credited service to be used in determining any Part B benefits.

Your credited service includes all periods of regular employment for which you are paid.

If you are on (1) an approved military leave, or (2) a disability leave and receive workers' compensation, you may receive credited service for such absence.

**If you were on layoff** at any time during the years (1) 1951 through 1967, (2) 1974 through 1976, or (3) 1979 through 1985, upon application, you may receive credited service for all, or part, of such layoff. The amount of credited service you will receive will depend on your years of credited service as of December 31, 1967, December 31, 1973, October 1, 1979, October 1, 1984, October 1, 1993, October 1, 1996 or October 1, 1999, as applicable.

Your credited service prior to January 1, 1966, will equal the greater of your (1) length of service, or (2) credited service, on December 31, 1965.

Commencing with the calendar year 1968, you are eligible for credited service for each calendar month of disability leave or layoff in a year during which you receive pay for periods totaling at least one month. After 1970, up to 11 months may be credited for a disability leave or layoff that continues into the following year. An employee placed on layoff on or after March 1, 1982, with 10 or more years of credited service may be

credited with up to 12 additional months for the period of continuous absence due to the layoff. However, beginning June 1, 2001 you are not eligible for credited service for any period of continuous absence due to layoff.

### ■ Foundry/Asbestos Service

An employee with credited service on or after October 1, 1999, who at retirement has more than 10 years of credited service accrued on certain salaried positions in foundry or asbestos operations, at designated Delphi locations, will receive additional credited service.

### ■ Flexible Service

A salaried employee, other than a regular salaried employee, who is classified as Flexible Service, may accumulate credited service. Flexible Service employees will receive credited service in any year in which they are paid by Delphi for working 750 or more hours.

### ■ Annual Statement

Each year you will be given a statement showing your (1) total credited service, and (2) contributions, up to the end of the preceding calendar year.

If you have any questions concerning the amount of your credited service or contributions, as shown on the statement, you should contact the Delphi Pension Administration Center (PAC) at 1-800-659-2000.

### ■ Loss of Credited Service

You will lose all credited service under the Retirement Program if you quit, are discharged, or are separated for any reason. However, if you have five or more years of credited service, or "service," your retirement benefits are vested. If you are reemployed by Delphi, your credited service will be reinstated, upon proper application. If you have prior credited service that has not been reinstated, you should make application for its reinstatement. Application forms are available at the PAC. You also will lose Part B credited service if you withdraw your contributions.

### *Alternative "Service" to Determine Vested Benefit*

If you lose credited service before age 65 and have less than five years of credited service, but have five or more years of "service," you would be eligible for vested benefit(s). For example, if you have only four years of credited service, but have five years of "service," the five years of "service" would provide you a vested Part A basic benefit. However, the monthly benefit amount would be based on four years of credited service.

You first become eligible to be covered for this "service" provision when you (1) attain age 21, or (2) complete one year of "service," whichever is later. You receive one year of "service" when you complete 750 hours of "service" in a 12 consecutive month period, beginning with your employment date. You complete an hour of "service" for each hour for which you are paid by Delphi for working, or for having been entitled to work. No "service" is granted for any (1) period of employment prior to age 18, or (2) year in which you are paid by Delphi for working less than 750 hours.

A one-year break in "service" will occur if you do not complete 375 hours of "service" in any 12 consecutive month period. Hours paid for vacation and sickness or disability, which are not worked, may be counted to prevent a break in "service." In addition, certain periods of absence because of pregnancy, childbirth, adoption, or child care immediately following birth or placement of a child related to adoption, may be counted to prevent a break in "service." Any absence of work commencing on or after October 1, 1993 for which you are entitled to a leave of absence under the **Family and Medical Leave Act of 1993**, may also be counted to prevent a "break" in service. You will lose your years of "service" if the number of consecutive one-year breaks equals, or exceeds, the greater of (1) the aggregate years of "service" you had before such break, or (2) five years.

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## *Retirement at Age 62 or Later*

If you retire at, or after, age 62, you may receive the following benefits:

### *Part A Basic Benefit*

Your monthly Part A basic benefit is determined by your basic benefit rate times your years of credited service.

Your basic benefit rate depends on your (1) benefit class code (which is based on your salaried position level), and (2) retirement date, as follows:

Salaried Position Level	Benefit Class Code	Basic Benefit Rate Per Year of Credited Service for Months Commencing			
		10-1-99 through 9-1-00	10-1-00 through 9-1-01	10-1-01 through 9-1-02	10-1-02 and After
1 and 2	A	\$40.80	\$42.50	\$44.50	\$46.70
3	B	\$41.05	\$42.75	\$44.75	\$46.95
4	C	\$41.30	\$43.00	\$45.00	\$47.20
5 & above	D	\$41.55	\$43.25	\$45.25	\$47.45

For example, if you retired June 1, 2000, at age 65 with a "D" benefit class code, your basic rate will be \$41.55. If you had 30 years of credited service, your monthly Part A basic benefit would be \$1,246.50 ( $\$41.55 \times 30 = \$1,246.50$ ).

Employees retiring October 1, 1999 and after will receive increases to their Part A basic benefit as shown in the table above.

### *Special Benefit*

In addition, at age 65, or earlier while you are enrolled in Medicare Part B, you may receive a monthly Special Benefit, as described on page 66.

### *Part B Primary Benefit*

Your Part B primary benefit will be based on your contributions to the Program. This monthly benefit will equal the sum of 5% of your contributions made before July 1, 1977, plus 6-1/4% of your contributions made between July 1, 1977 and October 1, 1979, plus 8-1/3% of your contributions made thereafter.

For example, if you retired June 1, 2000, and you had contributed \$2,000 before July 1, 1977; \$1,000 between July 1, 1977, and October 1, 1979; and \$6,700 through May 31, 2000, your monthly Part B primary benefit would be:

Contributions				Benefit
\$ 2,000	x	5%	=	\$100.00
\$ 1,000	x	6-1/4%	=	\$ 62.50
\$ 6,700	x	8-1/3%	=	\$558.33
Monthly Part B primary benefit:				<u>\$720.83</u>

### *Part B Supplementary Benefit*

You also may receive a monthly Part B supplementary benefit, if you have contributed to Part B at all times while eligible and have not withdrawn your contributions. This benefit will equal 1% of the amount by which your average monthly base salary exceeds the applicable amount, shown in the following table, multiplied by your years of Part B credited service. Average monthly base salary is calculated over the highest 60 months during the 120 months preceding your date of retirement.

Retirement Date	Applicable Amount
10-1-99 through 9-1-00	\$4,155
10-1-00 through 9-1-01	\$4,325
10-1-01 through 9-1-02	\$4,525
10-1-02 and thereafter	\$4,745

For example, if you retired June 1, 2000, at age 65 with an average monthly base salary of \$5,400 and had 30 years of Part B credited service, your monthly Part B supplementary benefit would be \$373.50.

60 month average base salary	\$5,400.00
Less applicable amount	<u>-\$4,155.00</u>
	\$1,245.00
Times 1%	<u>x 1%</u>
	\$ 12.45
Times years of Part B credited service	<u>x 30</u>
Monthly Part B supplementary benefit	<u>\$ 373.50</u>

Summarizing the examples shown for an employee who retired June 1, 2000 at age 65 with 30 years of credited service, the total monthly benefits at retirement would be:

Part A basic benefit	\$1,246.50
Part B primary benefit	\$ 720.83
Part B supplementary benefit	\$ 373.50
Special benefit	<u>\$ 45.50</u>
Total monthly benefit	<u>\$2,386.33</u>

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## ***Retirement Prior to Age 62 With Unreduced Benefits***

Your benefits will not be reduced if you retire prior to age 62 under a:

- Total and Permanent Disability retirement — at any age with 10 or more years of credited service. Retirement can commence if you are an employee, after you are disabled for at least 5 months, (may apply immediately in the case of an occupational injury or disease or in the case of a terminal condition).

### ***Part A Basic Benefit***

If you retire under any of the retirement provisions shown above, your monthly Part A basic benefit, as shown on page 87, will be determined as if you had retired at age 62, but based on your credited service at the time you retire.

### ***Part A Temporary Benefit***

In addition, you may receive a monthly Part A temporary benefit until you reach age 62 and one month or, if earlier, until you become eligible for Social Security Disability Insurance Benefits (SSDIB).

The amount of your monthly temporary benefit will be based on your years of credited service, up to 30, and your retirement date, as follows:

Monthly Temporary Benefit		
Retirement Date	Rate*	Maximum
10-1-99 through 9-1-00	\$38.85	\$1,165.50
10-1-00 through 9-1-01	\$40.45	\$1,213.50
10-1-01 through 9-1-02	\$42.35	\$1,270.50
10-1-02 and thereafter	\$44.45	\$1,333.50

\*Rate per year of credited service

If you retire because of total and permanent disability, the temporary benefit will be paid only if you submit evidence satisfactory to Delphi that you are not eligible for SSDIB. A retroactive SSDIB award creates an overpayment of any temporary benefit that was paid for the same period of disability.

### ***Part A Supplement***

You also may receive a monthly Part A early retirement supplement. The Part A supplement is described on page 91.

### ***Part B Primary Benefit***

If you have contributed to the Program, you also will receive a monthly Part B primary benefit, determined as if you had retired at age 62, but based upon the actual amount of contributions you made. An example of this benefit is shown on page 87.

### ***Part B Supplementary Benefit***

Any monthly Part B supplementary benefit will be based on your (1) average monthly base salary over the highest 60 months during the 120 months immediately preceding retirement, and (2) your Part B credited service at the time you retire. An example of this benefit is shown on page 87.

### ***Special Benefit***

In addition, at age 65, or earlier while you are enrolled in Medicare Part B, you may receive a monthly special benefit, as described on page 66.

## *Retirement Prior to Age 62 With Age-Reduced Benefits*

You may retire voluntarily with reduced benefits:

- At any age if you have 30 or more years of credited service;\*
- As early as age 55 and prior to age 62 if you have 10 or more years of credited service.

### *Part A Basic Benefit*

Your monthly Part A basic benefit, as shown on page 87, will be determined as if you had retired at age 62, but based on your credited service at the time you retire. This benefit will be reduced, based on your age at retirement, if you elect to have it commence before you attain age 62 (age 65 if retired between ages 55 - 59 with less than 85 points). However, if you have 30 or more years of credited service, or your years of age and credited service total 85 or more,\* such reduction will apply only until you attain age 62 and one month.

*\*This provision is not applicable to a salaried employee hired on or after January 1, 1988.*

### *Part A Supplements*

You also may receive a monthly Part A "early retirement" supplement, or an "interim" supplement. Part A supplements are described on page 91 and 92.

### *Special Benefit*

In addition, at age 65, or earlier while you are enrolled in Medicare Part B, you may receive a monthly special benefit, as described on page 66.

### *Part B Benefits*

Any monthly Part B primary and supplementary benefits, as described on page 87, will be determined just as for other types of retirement. **Monthly Part B benefits will be reduced permanently, if you elect to have them commence prior to age 62 (age 65 if retired between ages 55-59 with less than 85 points).**

### *Important Note*

If you retire voluntarily as early as age 55 and prior to age 60, when your combined years of age and credited service total less than 85, and you have less than 30 years of credited service, or if you were hired after January 1, 1988, even if you have 30 years or 85 points, your benefits under the Retirement Program, will be affected. For example:

- Your retirement benefits will be reduced from age 65.  
(This note does not apply to 30-year retirements at any age, retirements where age and credited service total 85 or more for employees who were hired before January 1, 1988, or retirements after age 60 with 10 or more years of credited service.)

## *Part A Supplements for Retirement With 30 or More Years of Service*

### *Early Retirement Supplement*

An "early retirement supplement" may be payable to you each month if you were hired before January 1, 1988, and if you retire before age 62 and one month with 30 or more years of credited service. This supplement is an amount which, when added to the sum of all other Part A and any Part B supplementary benefits payable to you, prior to reduction for any survivor coverage, will raise the total of these benefits payable prior to your attaining age 62 and one month, to the amount shown in the following table:

Retirement Date and Total Monthly Benefit Amount for Determining Early Retirement Supplement Prior to Age 62 and One Month			
10-1-99 through 9-1-00	10-1-00 through 9-1-01	10-1-01 through 9-1-02	10-1-02 and after
\$2,380	\$2,480	\$2,600	\$2,730

For example, if you retired June 1, 2000, at age 53 years and 2 months and you had contributed \$1,100 before July 1, 1977; \$500 between July 1, 1977, and October 1, 1979; and \$6,700 from October 1, 1979 through May 31, 2000, your average monthly base salary totaled \$5,400 and you were a 6th level employee electing no survivor coverage, your retirement benefit would be as follows:

#### Part B Primary Benefit

Contribution			Benefit
\$1,100	X	5%	\$ 55.00
\$500	X	6-1/4%	\$ 31.25
\$6,700	X	8-1/3%	\$558.33
Part B Primary Benefit			\$644.58
(Age Reduction Factor)	X	49.6%	\$319.71

#### Part B Supplementary Benefit

60-month average base salary	\$5,400.00
Less applicable amount	<u>-\$4,155.00</u>
	\$1,245.00
Times 1%	\$ 12.45
Times years of Part B credit service	X 30
	<u>\$ 373.50</u>
(Age Reduction Factor) X 49.6%	\$ 185.26

#### Part A Basic Benefit

Basic Benefit (Class Code D)	\$ 41.55
Year of Part A Credited Service	X 30
	<u>\$1,246.50</u>
(Age Reduction Factor) X 49.6%	\$ 618.26

#### Part A Early Retirement Supplement

"30 and Out" Supplement Level	\$2,380.00
Part A Basic Benefit	<u>-\$ 618.26</u>
	\$1,761.74
Part B Supplementary Benefit (see above)	<u>-\$ 185.26</u>
Part A Early Retirement Supplement	\$1,576.48

#### Total Benefit at Retirement

Part A Basic Benefit	\$ 618.26
Part A Early Retirement Supplement Benefit	\$1,576.48
Part B Primary Benefit	\$ 319.71
Part B Supplementary Benefit	<u>\$ 185.26</u>
Total Benefit	\$2,699.71

### *After-Retirement Increases in Total Monthly Benefit Amount*

Your total monthly benefit amount may be increased periodically after your retirement. The dates and amounts of these increases are shown in the table below:

Date and Amount of Increase in Total Monthly Benefit Amount		
10-1-2000	10-1-2001	10-1-2002
\$100.00	\$120.00	\$130.00



## *Part A Supplements for Retirement With Less Than 30 Years of Credited Service*

### *Interim Supplement*

An "interim" supplement may be payable to you each month until you attain age 62 and one month if you retire voluntarily with less than 30 years of credited service. If you retire as early as age 55 and prior to age 60, your age plus credited service must total 85 or more, and you must have been hired prior to January 1, 1988 to be eligible for this supplement. This supplement also may be payable if you retire between ages 60 and 62 with less than 30 years of credited service.

The following table shows the amount of this supplement, which is based on your age at retirement. The amount of this supplement is reduced by the amount of any monthly Part B supplementary benefit payable to you, prior to reduction for any survivor coverage.

	Monthly Amount * and Effective Date of Interim Supplement Payable Prior to Age 62 and One Month for Each Year of Credited Service for Retirements			
Age at Retirement	10-1-99 through 9-1-00	10-1-00 through 9-1-01	10-1-01 through 9-1-02	10-1-02 and After
	\$	\$	\$	\$
55	17.10	17.80	18.65	19.55
56	20.15	21.00	22.00	23.10
57	24.40	25.40	26.60	27.90
58	28.55	29.75	31.15	32.70
59	31.90	33.20	34.75	36.50
60	36.90	38.45	40.25	42.25
61	36.90	38.45	40.25	42.25

\* NOTE: The interim supplement is prorated for intermediate ages and is computed on the basis of the number of complete calendar months by which you are under the age you will attain on your next birthday.

### *Part A Supplements — Limitations*

- Supplements are not payable to you if you (1) retire voluntarily as early as age 55 and prior to age 60 and the sum of your age and years of credited service is less than 85, or (2) are discharged.
- If the total of monthly benefits under Part A and the Part B supplementary benefit exceeds 70% of your final monthly base salary, the monthly Part A supplement will be reduced to the extent required so that such benefits would equal 70% of the final base salary.
- Supplements are not applicable to you if you were hired on or after January 1, 1988.
- If you retire voluntarily and become eligible for SSDIB, your monthly supplement will be reduced by the temporary benefit amount in effect at the date of your SSDIB award.
- Supplements are only payable if you retire within five years of your last day worked for Delphi Automotive Systems.

## *Survivor Benefits*

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In the event of your death, either before or after you retire, monthly benefits may be provided for the lifetime of your survivor.

Refer to pages 107 through 109 for an explanation of these important benefits, including the pre-retirement surviving spouse benefit provided at no cost to you.

To waive any surviving spouse coverage available after retirement under this Program, it will be necessary for you to obtain the written consent of your spouse, witnessed by a notary public.

If survivor coverage is rejected, it will not be available in the future and, if you predecease your spouse, your spouse will not receive any surviving spouse benefits.

## *Workers' Compensation Offset*

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Workers' compensation benefits paid to retired employees will be deducted from Delphi retirement benefits otherwise payable.

### *Information*

Additional information about Salaried Retirement Program benefits appears elsewhere in this booklet under applicable headings. For more information about your retirement or to apply for retirement benefits you should contact the **Delphi Pension Administration Center** at 1-800-659-2000, or for the hearing/speech impaired, 1-800-659-8811.

## Social Security

Social Security benefits are in addition to your Delphi retirement benefits. You and Delphi contribute to the cost of your Social Security benefits by paying Social Security taxes. Your share of the Social Security taxes are deducted from your pay. Social Security old age benefits may begin as early as age 62 in a permanently reduced amount.

Your spouse's Social Security benefit at age 65 generally will be equal to about one-half of your unreduced Social Security benefit, unless your spouse is eligible for a higher benefit based on your spouse's earnings. Your spouse may receive a permanently reduced benefit commencing as early as (1) age 62, or (2) age 60 if a widow or widower.

For employees who attain age 65 prior to the year 2003, benefits are payable in full if they begin at, or after, age 65.

The following tables may help you estimate your monthly Social Security benefit. The tables are based on the Social Security provisions in effect on January 1, 2001.

Social Security disability insurance benefits may begin at any age.

Estimated Monthly Social Security Old Age Benefits for Retirement in 2001 Social Security Commences When You and Your Spouse Are						
If You Retire At Age:	Age 65			Age 62		
	Retiree	Spouse	Total	Retiree	Spouse	Total
65	\$1,536	\$768	\$ 2,304	—	—	—
62	\$1,632	\$811	\$2,443	\$1,307	\$612	\$1,919
60	\$1,595	\$788	\$2,383	\$1,208	\$598	\$1,806
55	\$1,531	\$752	\$2,283	\$1,230	\$574	\$1,804

*Note: Amounts are rounded to the nearest dollar. In all instances, you and your spouse are assumed to be the same age. You and your spouse may receive lower benefits from Social Security than those shown above if you earned less than the maximum wages subject to Social Security taxes. These amounts are based on assumptions that were reasonable at the time estimates were made. Social Security benefits actually payable will reflect individual and national average earnings, as well as fluctuations in the consumer price index. Therefore, before retiring, you should obtain an estimate from your local Social Security office, based on your personal earnings history. To do this, you may call 1-800-772-1213.*

## Examples — Retirement at Age 65

Assume you had participated in Part B of the Program and retired June 1, 2001 at age 65 with 30 years of credited service.

Your Estimated Combined Monthly Delphi and Social Security Benefits For Retirement on June 1, 2001								
Total Contributions to 65	Average Monthly Base Salary*	Benefit Class Code	Part B			Social Security		Total
			Part A	Primary	Supplementary	Yourself	Your Spouse (50%)	
\$1,500	\$3,000	C	\$1,290	\$125	—	\$1,250	\$625	\$3,290
\$3,000	\$4,700	D	\$1,298	\$250	\$113	\$1,452	\$726	\$3,839
\$8,000	\$7,300	D	\$1,298	\$667	\$893	\$1,536	\$768	\$5,162

\* Highest 60 of 120 months prior to retirement

**NOTE:** Amounts are rounded to the nearest dollar. The Part A benefit amount includes the Special Benefit provided under the Delphi Salaried Health Care Program. Increases in Part A, which are scheduled to become effective subsequent to June 1, 2001, would be added to the amounts shown in all cases. The monthly amounts shown above are estimated.

## Other Benefit Program Coverages After Retirement

### *Savings-Stock Purchase Program*

**Lump- Sum Distribution:** You may elect to receive, in a lump sum, all assets in your S-SPP account, including Delphi's contributions.

**Deferral of Distribution:** At retirement, if the value of your S-SPP assets is greater than \$5,000, you may continue to leave your assets in the Program. You may elect subsequently to receive your S-SPP assets in a lump sum at any time. Upon attainment of age 65, if you still have assets in the Program you must elect to defer the distribution of your account; otherwise, it will automatically be distributed to you. You will be notified, in writing, of your deferral election option prior to any automatic distribution.

During the period your assets remain in the Program they may continue to grow on a tax-deferred basis. Moreover, you may continue to "manage" the assets in your account. You may (1) exchange assets among the various investment funds and (2) borrow from your assets, as permitted under Program provisions. Any outstanding S-SPP loans you have at the time of retirement, or any new loans you may take thereafter, must be repaid, by making monthly cash payments. No loan repayments will be deducted from your Delphi retirement checks. Rather, the Delphi Investment Service Center will send you loan repayment coupons for use when submitting your cash payment.

#### ■ **Installment Payments and Partial**

**Distributions:** During the period your assets remain in the Program you may elect to receive periodic installment payments from your account. Installment payments may be made on a monthly, quarterly, semi-annual or annual basis. Installments must be in whole dollar amounts and total at least \$1,200 each year. You may, at any time, revise the amount and frequency of any such installments, or you may discontinue installment payments.

Additionally, you may take a partial distribution of your assets at any time, either in addition to any installment payments you may elect or without installment payments.

#### ■ **Age 70-1/2 Minimum Distribution**

**Requirement:** If you (1) defer receipt of your S-SPP assets and (2) later attain age 70-1/2 and continue to have an account balance, federal law requires that you must receive annually a minimum required distribution from your account. The first such minimum distribution payment will be made to you automatically, in December of the year in which you attain age 70- 1/2, unless you elect to defer receipt of your first minimum distribution payment until no later than April 1 of the following year. Thereafter, depending upon the amount you withdraw voluntarily during the calendar year from your S-SPP account, a minimum distribution payment will be made to you in December each year.

When a minimum distribution is required from your S-SPP account this requirement will be satisfied in one of two ways. First, absent any installment or partial distribution(s) from your account in the year, a distribution equal to the minimum required amount will be paid to you in December of the year. Second, the cumulative amount of any voluntary (1) installment distribution(s) and (2) partial distribution(s) that you take from your account during the year will first be used to satisfy the legally required minimum amount applicable for such year.

The amount of your minimum distribution payment will be based upon your (1) account balance and (2) remaining life expectancy, unless you elect to have the payment based upon both your life and your S- SPP Beneficiary's life expectancies. You will be notified, in writing, prior to receipt of your initial minimum required distribution.

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**Lifetime Annuity Contract:** If you were hired prior to November 1, 1998 in lieu of (1) receiving your account in a lump sum at retirement or (2) deferring receipt of your account, you may elect to receive an annuity contract to be purchased by the S-SPP trustee in lieu of all the assets in your account. This arrangement will provide a monthly income after retirement.

Refer to pages 1 through 10 for additional information on the Savings-Stock Purchase Program.

### **Individual Retirement Account**

Another alternative available at retirement, is the "rollover" of the taxable amount of a S-SPP distribution to an Individual Retirement Account (IRA). Similar to the annuity option, an IRA will provide for deferred income. Any rollover of assets would be arranged between you and a bank or investment company of your choice. You should consult with a financial advisor concerning the tax impact or any sales and commission charges associated with an IRA.

### **Health Care Program**

Generally, under current provisions your participation in the Salaried Health Care Program can be continued in retirement. However, you will be required to pay the full monthly cost of any continuing coverage if you:

- Are an employee whose continuous service with the Corporation commenced on or after January 1, 1993 (or have an adjusted service date on or after that date);
- Retire with less than 10 years of credited service under the Delphi Automotive Systems Retirement Program for Salaried Employees; or
- Retire voluntarily at or after age 55 and prior to age 60 when your combined years of age and credited service total less than 85 or if hired on or after January 1, 1988 regardless of whether you have 85 points.

*Note: If you are eligible to retire with 30 or more years of credited service at any age (and your most recent date of hire is prior to January 1, 1988), you are eligible for corporation contributions for health care in retirement.*

*In addition, at age 65, or earlier while you are enrolled in Medicare Part B, you may receive a monthly special benefit, as described on page 66.*

As a retiree, any dependent you acquire after you retire will be limited to sponsored dependent coverage for which you pay the full cost.

**Former employees eligible only for a deferred retirement benefit are NOT entitled to any Delphi Automotive Systems Salaried Health Care Program coverage.**

### **Life Insurance**

In retirement, your life insurance coverage may be continued as stated below.

- If your most recent date of hire (or adjusted service date) with Delphi was prior to January 1, 1993, your Basic Life Insurance will immediately reduce upon retirement, as shown on page 101. **If you retire under the total and permanent disability provisions of the Retirement Program, your Basic Life Insurance will continue, unreduced, until age 65.**

This coverage will be continued with Delphi contributions (except for voluntary retirement as early as age 55 and prior to age 60 when your combined years of age and credited service total less than 85).

*Note: If you are eligible to retire with 30 or more years of credited service at any age (and your most recent date of hire is prior to January 1, 1988), you are eligible for corporation contributions for Basic Life Insurance in retirement.*

- If your most recent date of hire (or adjusted service date) is prior to January 1, 1993 and you retire voluntarily as early as age 55 and prior to age 60 when your combined years of age and credited service total less than 85, you may continue your Basic Life Insurance to the end of the month in which you attain age 65, provided you contribute \$0.50 per month per \$1,000 of Basic Life Insurance in force.

Refer to page 101 for an explanation of continuing life insurance in retirement.

If your most recent date of hire (or adjusted service date) is prior to January 1, 1993 and you have at least 5 years of participation at age 60 and cease active work, you may continue Basic Life Insurance to the end of the month in which you attain age 65. If you are eligible for retirement benefits, Delphi Automotive Systems will make contributions for such insurance.

- If your most recent date of hire (or adjusted service date) is on or after January 1, 1993, Basic Life Insurance may not be continued in retirement. However, you may convert to a personal insurance policy without providing proof of good health, provided you make written application to the insurance company within 31 days from the cessation of such coverage.
- If you are eligible for continuing life insurance in retirement and you become terminally ill, with a life expectancy not to exceed 12 months, you may be eligible for an accelerated benefits option payment as discussed on page 81.

- Optional Life Insurance in force when you retire may be continued to age 75 and Dependent Life Insurance may be continued to age 70, provided (1) your Basic Life Insurance remains in force, unless your most recent date of hire (or adjusted service date) is on or after January 1, 1993, and you have 10 or more years of credited service, and (2) you make the required monthly contributions. See page 102 for further explanation of these coverages after age 65.

- In retirement, you may continue Personal Accident Insurance on yourself and any eligible dependents for your lifetime, provided (1) your Basic Life Insurance remains in force, unless your most recent date of hire (or adjusted service date) is on or after January 1, 1993, and you have 10 or more years of credited service, and (2) you pay the required contributions. However, after attainment of age 70, insurance in force on any person may not exceed \$150,000.

***Former employees eligible only for a deferred vested retirement benefit are NOT entitled to any Delphi Life and Disability Benefits Program coverage.***

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## *In The Event Of Death*

Your surviving spouse and dependents may be eligible for benefits under both the Delphi Life and Disability Benefits and Salaried Health Care Programs. In addition, benefits may be available for your survivors under the Delphi Automotive Systems Retirement Program for Salaried Employees and the Delphi Savings-Stock Purchase Program.

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## *Life and Disability Benefits Program*

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The Basic Life, Optional Life and Dependent Life Insurance plans will be administered in compliance with applicable state laws to the extent legally required and to the extent such laws are not pre-empted by federal law. For example, Texas insurance law limits the amount of Dependent Life Insurance an employee residing in Texas may have. This amount of Dependent Life Insurance may not exceed the combined amount of Basic Life Insurance and Optional Life Insurance on the employee.

### *When Basic Life Insurance Coverage Starts*

Basic Life Insurance coverage starts on the first day of the third month following the month in which your employment commences. If you are not actively at work on the day your coverage otherwise would start, coverage starts on the day you return to active work.

### *Your Basic Life Insurance*

Your Basic Life Insurance is equal to a maximum of two times your annual base salary.\* Base salary, for this purpose, includes the premium for necessary continuous seven-day operations, but does not include overtime, night-shift premium, or any other payments.

If you are eligible for the Delphi Options! Program, your annual base salary will be based upon your monthly base salary in effect on September 1 of the year preceding the next Options! Plan year.

\* You may exchange benefit dollars allocated to half of your Basic Life Insurance coverage for benefit dollars to purchase other coverages, or receive these benefit dollars as cash, under the Delphi Options! Program (see page 18). A separate brochure describing this program is available upon request.

You may name any individual or individuals you wish as your Beneficiary or Beneficiaries. You may change your Beneficiary designation at any time by appropriately completing and submitting the proper form. If circumstances in your life change, such as marriage, birth of a child, death of a spouse or divorce, you may want to consider the appropriateness of your Beneficiary designation. If you die, while coverage is in force your Beneficiary will receive a benefit equal to the amount of your Basic Life Insurance in effect, less any accelerated benefits option payment you may have received.

Your Beneficiary(ies) may receive this benefit under the MetLife total control account® (TCA) money market option. The TCA program is the automatic settlement option for benefit amounts of \$6,000 or higher for Delphi Automotive Systems. The TCA gives Beneficiaries immediate access to their insurance proceeds at a competitive rate guaranteed to equal or exceed a leading national index of money market rates. The Beneficiary receives a checkbook, and gets free check-writing privileges that allow easy access to the funds. There are no maintenance fees, and the Beneficiaries receive monthly statements detailing the activity on the account. The account is fully guaranteed by MetLife. The Total Control Account is not available to Beneficiaries residing outside the United States. A description of the TCA program is contained in a separate brochure entitled "Enough Time to Decide," which is available from the National Benefit Center by calling 1-800-435-3946 or TTY 1-800-872-8682 (for hearing or speech impaired).

If death should occur as the result of an accident while you are on company business, your Beneficiary will receive an additional benefit, equal to 50% of your Basic Life Insurance in force, up to one times your annual base salary.

For the work-related accidental death benefit to be payable, your death must occur within one year following the accident and must not be due to disease, self-inflicted injury, or any act of war or other causes stipulated in the Plan.



A separate brochure describing **TCA options** is available upon request by contacting the **National Benefit Center**, toll-free at **1-800-435-3946** or, for the hearing/speech impaired, **1-800-872-8682**.

To **apply for life insurance benefits**, a Beneficiary will be required to complete a claim form provided by the **National Benefit Center**. A form may be obtained by calling the National Benefit Center, toll-free at, **1-800-435-3946** or, for the hearing/speech impaired, **1-800-872-8682**. In addition, a certified copy of the death certificate will be required.

### ***Your Continuing Insurance After Retirement (Other than for Total and Permanent Disability)***

If you have 10 or more years of participation at retirement (other than for total and permanent disability) and (1) your most recent date of hire (or adjusted service date) is prior to January 1, 1993, and (2) you are otherwise eligible for continuation of coverage in retirement, coverage will be reduced. The amount of your Basic Life Insurance will reduce immediately to an amount equal to 1-1/2% for each year of participation times the amount of life insurance in force at retirement.

#### ***Example...***

If you have 30 years of participation with \$80,000 of Basic Life Insurance in force at retirement, you will have an amount of continuing life insurance equal to \$36,000 immediately upon retiring:

$$\begin{aligned} 1-1/2\% \times 30 &= 45\% \\ 45\% \times \$80,000 &= \$36,000 \end{aligned}$$

If your most recent date of hire (or adjusted service date) is prior to January 1, 1993 and you retire as totally and permanently disabled, the amount of your Basic Life Insurance will reduce at age 65.

If eligible, the minimum amount of continuing life insurance is \$5,000.

If your most recent date of hire (or adjusted service date) is on or after January 1, 1993, your Basic Life Insurance will not continue in retirement. However, you may convert Basic Life Insurance to a personal policy of insurance without proof of good health provided you make written application to the insurance company within 31 days from the cessation of such coverage.

### ***Terminating Employment***

If you terminate employment with Delphi for any reason after age 65, your Sickness and Accident and Extended Disability Benefits coverages are canceled at the time you terminate employment. Your Basic Life Insurance also is canceled unless your most recent date of hire (or adjusted service date) is prior to January 1, 1993 and you have 10 or more years of participation when you terminate employment. Refer to page 119 regarding Program conversion privileges.

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## *Protection Available Under the Life and Disability Benefits Program*

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In addition to the coverages provided with Delphi Automotive Systems contributions, the following protection is available under the Life and Disability Benefits Program provided you pay the full cost of coverage.

### *Optional Life Insurance*

To provide additional protection for your Beneficiary(ies), you may enroll for Optional Life Insurance in amounts of one, two, three, four, or five times your annual base salary. Annual base salary, for this purpose, equals 12 times your monthly base salary. Base salary includes the premium for necessary continuous seven-day operations, but does not include overtime, night-shift premium, or any other payments.

If you are eligible for the Delphi Options! Program, your annual base salary will be based upon your monthly base salary in effect on September 1 of the year preceding the next Options! Plan year.

This additional coverage is available to regular employees on the first day of the third month next following your month of hire provided Basic Life Insurance is in force. **If you have elected an amount of Basic Life Insurance equal to one times annual base salary** in accordance with the Delphi Options! Program, you are not eligible for Optional Life Insurance. **If you are not actively at work on the day your Optional Life Insurance otherwise would start**, coverage would start on the day you return to active work. You may not elect coverage or increase the level of coverage in retirement.

You may name any individual or individuals you wish as your Beneficiary or Beneficiaries. The Beneficiary need not be the same as you designate for your Basic Life Insurance. However, if you do not name a Beneficiary, any proceeds will be paid to the Beneficiary or Beneficiaries designated for your Basic Life Insurance.

If your Beneficiary(ies) is entitled to a benefit of \$6,000 or more, the benefit will be payable automatically under MetLife's Total Control Account Program® (TCA), as described on page 100.

You contribute the full cost of Optional Life Insurance. Your monthly contribution rates are based on your age and will automatically increase when you reach a higher age bracket. The National Benefit Center can inform you of the current monthly contribution rate for your age group. Rates are subject to change by the insurance company.

When you attain age 66, the amount of Optional Life Insurance may reduce depending on whether or not you are retired. If you are retired when you attain age 66 the amount of your Optional Life Insurance in force will be reduced by 10% beginning on the first day of the month following the month you attain age 66. Optional Life Insurance will reduce by 10% on each anniversary on such date until the employee attains age 75. Optional Life Insurance is canceled at the end of the month the employee attains age 75.

If you continue to work after age 66, your Optional Life Insurance will not be reduced until your retirement. Upon your retirement, your Optional Life Insurance will reduce immediately to the amount it would have been if had retired prior to age 66. Optional Life Insurance will continue to reduce by 10% each year on the anniversary of your retirement date until it cancels at age 75.

### *Dependent Life Insurance*

You may enroll for Dependent Life Insurance in amounts of \$10,000, \$25,000, \$50,000, \$75,000 or \$100,000 on your spouse (spouse coverage) and in amounts of \$5,000, \$10,000 or \$15,000 on each eligible dependent (child coverage).

You are eligible for Dependent Life Insurance on the first day of the third month next following your month of hire, provided you are insured for Basic Life Insurance and you have an eligible dependent. An eligible dependent for Dependent Life Insurance is the same as defined under the Salaried Health Care Program (see page 28), except a sponsored dependent or domestic partner and his/her children are not eligible for coverage.

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A dependent child(ren) is eligible from the moment of "live birth." "Live birth" means that the child is born with spontaneous respiration and a heartbeat. Live birth does not include a still birth, miscarriage, spontaneous abortion or induced abortion. If your spouse is a salaried employee and also enrolls for Dependent Life Insurance for child(ren) coverage, only one claim will be payable. **If you are not Actively at Work on the day your Dependent Life Insurance otherwise would start**, coverage would start on the day you return to active work. You may not elect coverage or increase the level of coverage in retirement.

You are the Beneficiary for Dependent Life Insurance. If an eligible dependent should die from any cause while you are insured for Dependent Life Insurance, benefits are payable to you in a lump sum or, if the benefit from a single claim is less than \$6,000, you may request payment under the TCA, or if the payment from a single claim is \$6,000, or more, benefits will be payable automatically under MetLife's Total Control Account Program® (TCA), as described on page 100.

A special death benefit for your first born child(ren) is available, if your spouse is insured for Dependent Life Insurance. This special benefit of \$2,000 will cover your first born from the moment of live birth until the child(ren) can first be covered under child(ren) coverage. Additional child(ren)ren are automatically covered from the moment of live birth, if you then have child(ren) coverage in effect. If you elect coverage for your child(ren), you will pay the same rate whether you cover one or more than one child.

You contribute the full cost of Dependent Life Insurance. Your monthly contribution rates are based on your age and will automatically increase when you reach a higher age bracket. The National Benefit Center can inform you of the current monthly contribution rate for your age group. Rates are subject to change by the insurance company.

You may continue Dependent Life Insurance to age 70, or, if you continue to work for Delphi after age 70, to the date your active employment ceases.

If you die while Dependent Life Insurance is in effect, your surviving spouse may continue this coverage if your spouse pays the required monthly contribution. Your surviving spouse may continue this coverage until the earliest of (1) remarriage, (2) age 70, or (3) death. The monthly contribution will be based on the progressing age of the surviving spouse. Your surviving spouse may name any individual or individuals as Beneficiary or Beneficiaries.

### *Personal Accident Insurance*

You may enroll for Personal Accident Insurance in amounts ranging from \$10,000 to \$500,000. You may not elect coverage amounts in excess of \$300,000 if the amount elected exceeds ten times your base salary.

**You may name** any individual or individuals you wish as your Beneficiary or Beneficiaries for Personal Accident Insurance on yourself. The Beneficiary need not be the same as you designate for your Basic Life Insurance. However, if you do not name a Beneficiary, any proceeds will be paid to the Beneficiary or Beneficiaries designated for your Basic Life Insurance. Additionally, you are the Beneficiary for Personal Accident Insurance coverage on your spouse and/or child(ren).

You are eligible for Personal Accident Insurance on the first day of the third month following your month of hire, provided you are insured for Basic Life Insurance. **If you are not actively at work on the day Personal Accident Insurance coverage otherwise would start**, coverage would start on the day you return to active work. You may not elect coverage or increase the level of coverage in retirement.

You also may enroll your spouse and any eligible dependent child(ren) for this insurance. A dependent child(ren) for purposes of Personal Accident Insurance is the same as defined under Dependent Life Insurance. However, if your spouse is a salaried employee and also enrolls for Personal Accident Insurance child(ren) coverage, only one claim will be payable. Additionally, any person insured as an employee shall cease to be considered an eligible dependent.

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The coverage amounts of Personal Accident Insurance available for your spouse are identical to the amounts available for yourself. You must purchase Personal Accident Insurance coverage for yourself in order to purchase it for your spouse. The amount of spouse Personal Accident Insurance coverage may differ from, but may not exceed the amount of, your own Personal Accident Insurance coverage. However, if your spouse is an active or retired salaried employee, you and your spouse may not be covered as both an employee and as a spouse under Personal Accident Insurance coverage.

For your child(ren), available coverage levels range from \$10,000 to \$50,000 (in increments of \$10,000). You must purchase Personal Accident Insurance coverage for yourself in order to purchase it for your child(ren). Any amount of child(ren)'s coverage may not exceed the amount of your own coverage. No additional dependents may be added under child(ren)'s coverage in retirement.

After you attain age 70, or upon your retirement, if later, insurance in force on any person insured may not exceed \$150,000.

You contribute the full cost of Personal Accident Insurance. The National Benefit Center can inform you of the current monthly contribution rates for this coverage. If you elect coverage for your child(ren), you will pay the same rate whether you cover one or more than one child(ren).

Benefits are payable to your Beneficiary or Beneficiaries if you should die as a result of an accident while covered for Personal Accident Insurance. If you do not name a Beneficiary or Beneficiaries, any proceeds will be paid to the Beneficiary or Beneficiaries designated for your Basic Life Insurance. Benefits will be payable to you in the event of your accidental dismemberment or because of any covered accidental loss or losses sustained by your eligible spouse or dependent child(ren). Benefits are only payable if you, your spouse or dependent child(ren) sustain an accidental bodily injury and suffer a loss within one year of the accident; provided the loss was not the result partly or wholly due to causes stipulated in the plan.

Certain exclusions are listed below:

- Self-inflicted injury;
- Experimental or test flight in an aircraft;
- Any act of war;
- Physical or mental infirmity;
- Infection;
- Use of drugs;
- Service (full-active) in the armed forces; or
- The commission or attempted commission of a felony.

The loss schedule provides benefits if injury results in death or dismemberment within one year after the date of the accident as indicated below:

Loss	Benefit
Life	Full amount
Speech and hearing	Full amount (two times the full amount for child)
Total and permanent disability*	Full amount
Paralysis**	Full amount (two times the full amount for child)
Two or more members***	Full amount (two times the full amount for child)
One member	One-half the full amount (full amount for child)
Speech	One-half the full amount (full amount for child)
Hearing in both ears	One-half the full amount (full amount for child)
Thumb and index finger of the same hand	One-quarter the full amount (one-half the full amount for child)

\* "Total and permanent disability" coverage is applicable only to you as an employee, and ceases at retirement.

\*\* "Paralysis" coverage is applicable only to your spouse and dependent child(ren).

\*\*\* "Member" as used in the above schedule means hand, foot, sight of eye, speech or hearing in both ears.

Note: The full amount payable will not exceed \$100,000 while the insured is flying as a pilot, student pilot, or member of the crew. This limitation does not apply to commercial air travel.

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Only one amount, the largest to which you are entitled, is paid for all losses sustained by one covered individual resulting from one accident.

If you or your Beneficiary is entitled to a benefit of \$6,000 or more, benefits will be payable automatically under MetLife's Total Control Account Program® (TCA), as described on page 100.

## ***Special Benefits***

### ***Coma Benefit***

One percent of the full amount of Personal Accident Insurance in force shall be payable, on behalf of an insured employee, covered spouse or covered child who becomes comatose within 365 days of an accident. Such benefit will be payable on the 32nd day of the coma and each month thereafter for a maximum of 100 months, until the date the comatose person regains consciousness or until death, if earlier, at which time any balance would be paid.

### ***Special Child Care Center***

If you elected coverage for yourself, spouse and dependent child(ren), an additional benefit of five percent of the employee's full amount of Personal Accident Insurance or the actual amount of child care costs, whichever is less, (subject to a maximum of \$6,000 per year for losses occurring on or after January 1, 2001) will be paid to the Beneficiary for up to four years for each eligible child, under the age of 13, enrolled (or who becomes enrolled within 90 days of the covered accident) in a qualified child care center, when the insured employee or insured spouse suffers a loss of life as a result of a covered accident. If there is no dependent child who qualifies, an additional benefit of \$1,000 will be paid to the Beneficiary.

### ***Spousal Occupational Training***

If you elected coverage for yourself and your spouse, a benefit up to five percent of the Personal Accident Insurance or the actual amount of expenses incurred, whichever is less, but not to exceed \$6,000 per year for losses occurring on or after January 1, 2001, will be reimbursed to a surviving spouse, as a Spousal Occupational Training benefit, when the insured employee suffers a loss of life as a result of a covered accident. The benefit is paid to the surviving spouse as reimbursement for attending a formal occupational training program in order to become specifically qualified for active employment in an occupation for which the spouse would not otherwise qualify.

The benefit is provided for reasonable and necessary expenses incurred within three years of the date of the employee's death. No payment will be made for room, board, or other living, traveling, or clothing expenses.

### ***Special Education***

If you elected coverage for yourself and your dependent child(ren), an additional benefit of up to five percent of the employee's full amount of Personal Accident Insurance or the actual amount of tuition, whichever is less, (subject to a maximum of \$6,000 per year for losses occurring on or after January 1, 2001) will be paid as a Special Education benefit for each eligible dependent child when the insured employee suffers a loss of life as a result of a covered accident. Each eligible dependent child must be enrolled as a full-time student in an accredited college or university within 365 days of the death of the employee.

The benefit will be payable annually for up to four consecutive years providing the eligible child consecutively continues education as a full-time student. Benefits payable beyond the first year require evidence that the child has successfully completed all academic requirements of the prior school year.

No payment will be made for room, board, or other living, traveling or clothing expenses. If there is no dependent child who qualifies, an additional benefit of \$1,000 will be paid to the Beneficiary.

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### ***Seat belt and Air Bag Benefit***

Effective January 1, 2001, the seat belt and air bag benefit provides an additional benefit of up to ten percent of the full amount in force on your account of your spouse or child(ren), as applicable, (up to a maximum of \$25,000) if you, your covered spouse or covered child suffer a loss of life as a result of a covered accident in a private passenger car and the covered person's seat belt was properly used. An additional benefit of ten percent of the covered person's full amount in force (up to a maximum of \$25,000) will also be payable if an air bag is deployed for the seat which such covered person occupied and while properly using a seat belt.

### ***Repatriation Expense Benefit***

Effective January 1, 2001 the repatriation expense benefit provides an additional benefit of \$2,500 for the preparation and transportation of the covered person's body to the city of such person's principal residence if you, your covered spouse, or covered child(ren) suffer a loss of life as a result of a covered accident and the death occurs 100 miles or more away from the covered person's principal residence.

No benefit amount is payable following the employee's retirement for Coma Benefit, Special Child Care Center, Spousal Occupational Training, or Special Education.



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***To apply for Personal Accident Insurance benefits,*** you must complete a claim form provided by the ***National Benefit Center.***

You may contact the center, toll-free at ***1-800-435-3946*** or ***1-800-872-8682*** for the hearing or speech impaired.

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***Additional information*** concerning optional life, dependent life and Personal Accident Insurance is available in the brochures that describe these coverages, which may be obtained by accessing their web site through Apollo from a link on the Benefits Home Page or at [www.delphinbc.com](http://www.delphinbc.com). Or, call the National Benefit Center at 1-800-435-3946.

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## *Delphi Retirement Program Survivor Benefits*

In addition to benefits under the Delphi Life and Disability Benefits Program, your survivor may receive benefits under Part A and/or Part B of the Delphi Automotive Systems Retirement Program for Salaried Employees.

### *If You Die Before Retirement (and Were Otherwise Eligible to Retire Voluntarily)*

■ **Part A benefit for your surviving spouse:**

If you (1) die after attaining eligibility to retire voluntarily, and (2) have been married at least one year, a lifetime monthly Part A benefit may be payable to your surviving spouse.

Your spouse's monthly benefit would be 65% of the reduced monthly Part A basic benefit you would have received had you retired voluntarily with the survivor coverage in effect.

■ **Part B benefit for your surviving spouse:**

The surviving spouse of an employee who is participating in Part B of the Retirement Program will be provided a monthly income for life, based on the employee's accrued primary and supplementary benefits under Part B. If you marry after you first become eligible to participate in Part B, the survivor coverage becomes effective on the one-year anniversary of the marriage.

If you (1) are eligible to retire voluntarily on the date of your death, and (2) have this coverage in effect, your surviving spouse would receive 65% of your accrued Part B primary and supplementary benefit plus the Part A survivor benefit.

This coverage generally remains in effect until the earliest of the date:

- You are eligible for the survivor coverage after retirement;

- Your employment terminates;
- You become divorced;
- You are transferred to the hourly rolls for one year (two years with ten or more years of credited service); or
- You withdraw your contributions from Part B of the Retirement Program.

### *If You Die Before Retirement (and Were Not Otherwise Eligible to Retire Voluntarily)*

If you die prior to attaining eligibility to retire voluntarily, Part A pre-retirement survivor coverage may provide a monthly income to your surviving spouse if:

- You have at least five years of credited service, as explained on page 85;
- You have been married to your spouse for at least one year immediately prior to your death.

The monthly Part A benefit payable to your surviving spouse is 50% of the deferred vested amount that otherwise would have been payable at age 65 to you. The spouse benefit is payable commencing (1) when you would have attained age 65, or (2) at the earliest age you could have retired voluntarily, reduced for the deceased employee's age at such date.

Part B benefits would be payable to your surviving spouse, as described earlier on this page, provided (1) you are participating in Part B of the Program, and (2) the Part B surviving spouse coverage is in effect.

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### *Example...*

Assume you have Part B survivor coverage in effect and you die in September 2001 at age 50, before you are eligible to retire voluntarily. You and your spouse are the same age, your average monthly salary is \$5,475, you have contributed \$11,500 to Part B of the Retirement Program, and you have 25 years of credited service.

Your surviving spouse would immediately receive monthly benefits equal to 65% of your accrued Part B benefits or, in this case, an estimated \$784 a month for life.

Your surviving spouse also would be eligible to receive an automatic Part A pre-retirement surviving spouse benefit on what would have been your 65th birthday. In this example, the added benefit would be approximately \$514. This payment could start, on a reduced basis, as early as the first of the month after the date you would have attained age 55. The Part A pre-retirement surviving spouse benefit, reduced for commencement at age 55, would be \$236.

### *If You Die After Retirement*

#### ■ Part A basic and Part B surviving spouse benefits:

When you retire, lifetime monthly benefits will be payable to your eligible surviving spouse after your death, unless waived (requires your spouse's approval). This coverage is effective on the one year anniversary of the marriage. **If you do not waive the surviving spouse coverage**, your benefits generally will be reduced by 5%. If the age difference between you and your spouse exceeds five years, however, your benefits will be further adjusted. Your surviving spouse's monthly benefit would be 65% of the reduced monthly Part A basic and/or Part B benefits payable to you.

Generally, this survivor coverage becomes effective on the date you retire. However, if you retire due to disability (1) before age 55, and (2) with less than 30 years of credited service, this coverage becomes effective at age 55. Prior to age 55, the following would apply:

- Under Part A, you may provide your spouse an actuarially determined 50% joint and survivor coverage (described later); and
- Any pre-retirement Part B survivor coverage for your spouse would continue in effect until you attain age 55 as described on page 107.

If you should outlive your spouse you may cancel the Part A survivor coverage. After retirement, you may revoke Part A and Part B survivor coverage. Delphi approval is necessary for any revocation while your spouse is alive. Additionally, you must obtain the written consent of your spouse to revoke one or both survivor coverages. If however, you should become divorced, after retirement the terms of your Qualified Domestic Relations Order (QDRO) will determine whether you may revoke survivor coverages.

If you marry or remarry, after you retire, you may elect prior to 18 months of marriage the surviving spouse coverage under Part A of the Retirement Program for your new spouse. Surviving spouse coverage is available only if you had not rejected such coverage for a previous spouse when it first was made available to you. The marriage or remarriage provision is not applicable to Part B benefits.

**You must obtain the written consent of your spouse, witnessed by a notary public, to waive the automatic survivor coverage at retirement.**

### *If You Cancel or Revoke*

If you cancel or revoke the coverage, your future benefits will be restored to the amount payable without the coverage upon making application on a form available from the Pension Administration Center at 1-800-659-2000 or 1-800-659-8811 for the hearing or speech impaired. In such event, your previously designated survivor no longer would be eligible for any benefit.

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## ***Special Benefit***

If your surviving spouse is eligible for Corporate contributions for the Delphi Salaried Health Care Program and is receiving a monthly Part A retirement benefit, excluding deferred vested benefit recipients, the Special Benefit described on page 66 also can become payable upon your spouse's attainment of age 65. To be eligible, your surviving spouse is required to provide proof of enrollment in Medicare Part B. This benefit can become payable prior to age 65, upon application, if your surviving spouse (1) is receiving a monthly Part A retirement benefit, (2) provides proof of enrollment in Medicare Part B, and is eligible for Corporate contributions for health care.

## ***Part A Basic and Part B Joint and Survivor Benefits (All Retirements)***

As an alternative to the surviving spouse coverage, you may elect a joint and survivor option. Under this option, all, or any part of, your reduced monthly Part A basic and Part B benefits may be continued to any Beneficiary you designate. For further information on this option, contact the Pension Administration Center (PAC).

## ***Part A Joint and Survivor Coverage (Disability Retirement)***

If you retire due to total and permanent disability before age 55 with less than 30 years of credited service, joint and survivor (J&S) coverage will be provided automatically for your spouse. The J&S coverage would pay your spouse 50% of your actuarially reduced monthly Part A basic benefit in the event you die before your spouse.

This coverage is applicable only if you are married (1) on the date the coverage becomes effective, and (2) throughout the one-year period ending on the date of your death. Benefit payments to the survivor would commence on the first of the month following the month you would have attained age 55.

You can revoke the J&S coverage before you are age 55 if (1) your spouse should die, or (2) you become divorced, and a Qualified Domestic Relations Order so provides or with written spousal consent acknowledging the effect of the revocation witnessed by a notary public. Restoration of your Part A basic benefit would be effective the first of the month following the date of the death of your spouse upon receipt by Delphi, of evidence satisfactory to Delphi of your spouse's death, or the first of the month after written revocation of the election because of divorce on a form approved by Delphi and accompanied by satisfactory evidence of the final divorce decree. Otherwise, this coverage cannot be canceled until you attain age 55.

The regular survivor coverage, described on pages 107 and 108, becomes available on the first of the month following your attainment of age 55 whether or not you reject the J&S coverage. This means that you may reject the J&S coverage prior to age 55 and still have the regular survivor coverage at age 55. However, any rejection of surviving spouse coverage by a married employee requires the written consent of the spouse, witnessed by a notary public, during the 90 days prior to its effective date.

## ***Delphi Savings-Stock Purchase Program Beneficiary Options***

In the event of your death, all assets in your S-SPP account, including all of Delphi's contributions, are distributed to the Beneficiary(ies) designated by you. However, if **you are married**, assets will be distributed to your spouse unless your spouse had agreed earlier, in writing, on forms satisfactory to Delphi to the designation of some other person(s) as Beneficiary(ies) to receive your S-SPP assets. If **you are not married and have not designated a Beneficiary(ies)**, assets in your account will be distributed to the Beneficiary(ies) designated to receive the proceeds of your **Basic Life Insurance** under the Delphi Life and Disability Benefits Program.

An eligible spousal Beneficiary may retain account assets within the S-SPP. Your surviving spouse subsequently may elect to receive the assets in a lump sum at any time. While assets remain in the S-SPP, your surviving spouse may (1) exchange assets among the various available investment options, (2) elect partial distributions, and (3) elect to receive installment payments. However, your surviving spouse may not contribute to or initiate any loans from the S-SPP. Also, if your surviving spouse elects to keep the assets in your account, your surviving spouse will be deemed to have attained age 70½ on the date you would have attained such age. Thereafter, mandatory distributions as outlined on page 10 would apply.

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## *Health Care Coverage for Survivors*

Health care coverages are not available to:

- A surviving spouse of a former employee eligible only for deferred vested retirement benefits;
- A spouse or former spouse receiving, or eligible to receive, only a pre-retirement survivor benefit under the Retirement Program; or
- A retiree's surviving spouse who is eligible only for sponsored dependent coverage but is not so enrolled as of the date of the retiree's death. If the surviving spouse is enrolled as a sponsored dependent as of the retiree's death, only a conversion contract is available.

The eligibility of other surviving spouses is summarized in the chart on page 112. To use the chart, identify the category in the left column that best describes the decedent's status at the time of death. Then move to the right to determine the coverages available, the periods of time they are available and whether or not there are Corporation contributions. In some cases eligibility varies depending on whether or not the employee's/retiree's employment commenced prior to January 1, 1993. In those cases the provisions applicable to the pre-1993 hires are in the middle column and those applicable to the 1993 or later hires are in the right-hand column.

If your surviving spouse is eligible to continue coverage, he/she may continue coverage for dependent child(ren) enrolled at your death, provided they continue to meet the eligibility criteria applicable to dependent child(ren).

Health care coverages for a retiree's surviving spouse and/or eligible dependent child(ren) acquired after retirement, who are carried as sponsored dependents, cease at the end of the month in which the retiree dies. Only conversion is available.

A surviving spouse age 65 or older who is eligible, but is not enrolled for Medicare Part B coverage, is not eligible for Delphi contributions for any health care coverages. Coverages may be continued on a self-paid basis until Medicare Part B coverage is obtained. After enrollment in Part B is obtained, contributions may be reinstated and continued while Medicare Part B enrollment is maintained.

**Surviving Spouse Eligibility\***  
**Salaried Health Care Program**

Surviving Spouse of:	Primary Enrollee Service Date** Prior to January 1, 1993, and Dies On or After January 1, 1993	Hired On or After January 1, 1993
#1. Employee who dies prior to eligibility for health care coverage	If married to the employee for at least one year prior to the employee's death, the surviving spouse may enroll for core coverages on a self-paid basis as follows: <ul style="list-style-type: none"> <li>■ For 24 months, and,</li> <li>■ Beyond the 24 month period above until the earlier of remarriage, age 62 or death, if the surviving spouse is age 45 as of the date of the employee's death or if the surviving spouse's age and the employee's years of credited service totals 55 or more.</li> <li>■ Conversion available after Program coverage exhausted.</li> </ul>	
#2. Employee who dies after eligibility for health care coverage with less than 10 years of credited service	<ul style="list-style-type: none"> <li>■ If married to the employee for at least one year prior to employee's death, the surviving spouse may enroll in and/or continue core coverages as follows:  <ul style="list-style-type: none"> <li>— For up to 24 months at 12 months with Corporation contributions and 12 months at 100% self-paid, and</li> <li>— Beyond the 24-month period above until the earlier of remarriage, age 62 or death, if the surviving spouse is age 45 as of the date of the employee's death or if the surviving spouse's age and the employee's years of credited service totals 55 or more.</li> </ul> </li> <li>■ COBRA or conversion available as an alternative to Program coverage.</li> <li>■ Conversion available after Program or COBRA coverage is exhausted.</li> </ul>	
#3. Employee who dies with 10 or more years of credited service and not eligible to retire voluntarily	<ul style="list-style-type: none"> <li>■ If surviving spouse <i>is receiving a Part B survivor benefit</i> under the Salaried Retirement Program, the Corporation shall make contributions to continue core and non-core coverages until the later of 24 months, or remarriage. Conversion available after continuance exhausted.</li> </ul>	<ul style="list-style-type: none"> <li>■ If surviving spouse <i>is receiving a Part B survivor benefit</i> under the Salaried Retirement Program, the Corporation shall make contributions to continue core and non-core coverages for 12 months. Following this period the surviving spouse may continue coverages on a self-paid basis until the later of an additional 12 months or remarriage. Conversion available after continuance exhausted.</li> </ul>
	<ul style="list-style-type: none"> <li>■ If surviving spouse is married to the employee for at least one year prior to employee's death and <i>is not receiving a Part B survivor benefit</i>, core coverages will be available as detailed in #2 above.</li> <li>■ COBRA or conversion available as an alternative to Program coverage.</li> <li>■ Conversion available after Program or COBRA coverage is exhausted.</li> </ul>	
#4. Employee who dies after becoming eligible to retire voluntarily	<p>Core and non-core coverages may be continued with Corporation contributions if:</p> <ol style="list-style-type: none"> <li>1. The employee was hired prior to 1-1-88 and had 30 or more years of credited service;</li> <li>2. The employee's age and credited service as of date of death totaled 85 or more and the employee had at least 10 years of credited service; or</li> <li>3. The deceased employee was age 60 or more and had 10 or more years of credited service as of the date of death <u>and</u> the surviving spouse is receiving a Part B survivor benefit under the Salaried Retirement Program.</li> </ol> <ul style="list-style-type: none"> <li>■ If employee does not meet (1), or (3) above, the Corporation shall make contributions to continue core and non-core coverages for 12 months after which coverage may be continued on a self-paid basis.</li> <li>■ If employee has at least 10 years of credited service and the employee's age, when added to the employee's years of credited service as of the date of death does not equal 85 points, coverage will be available as detailed in #3 above.</li> <li>■ COBRA or conversion available as an alternative to Program coverage.</li> <li>■ Conversion available after Program or COBRA coverage is exhausted.</li> </ul>	<ul style="list-style-type: none"> <li>■ Core and non-core coverage may be continued for 12 months with Corporation contributions. Thereafter, coverage may be continued on a self-paid basis.</li> </ul>
#5. Employee who dies from accidental injury caused by employment with Delphi	<p>Corporation will make contributions for the surviving spouse to enroll in and/or continue core and non-core coverages until remarriage. Coverages and Corporation contributions may continue beyond remarriage if eligible in accordance with #4 above.</p> <ul style="list-style-type: none"> <li>■ COBRA or conversion available as an alternative to Program coverage.</li> <li>■ Conversion available after Program or COBRA coverage is exhausted.</li> </ul>	
#6. Retiree	<ul style="list-style-type: none"> <li>■ If surviving spouse was eligible for coverage only as a sponsored dependent and was not enrolled as of date of retiree's death, no coverage is available.</li> <li>■ If surviving spouse was enrolled as a sponsored dependent as of the retiree's date of death, only conversion is available.</li> <li>■ If the retiree's coverage was self-paid in retirement and the surviving spouse was eligible for coverage as a spouse, the surviving spouse may enroll in and/or continue core and non-core coverages on a self-paid basis. Elections and required payment must be made promptly. Conversion also is available.</li> <li>■ If the retiree was receiving Corporation contributions for coverage in retirement and if the surviving spouse is eligible for coverage as a spouse as of the date of the retiree's death, the surviving spouse is eligible to continue coverages with Corporation contributions for core and non-core coverages.</li> </ul>	

\* Eligibility for Corporation contributions for a surviving spouse age 65 or older is conditioned on participation in Medicare Part B, if eligible.  
 \*\* The service date (or adjusted service date) is the commencement of the period of employment considered unbroken by the Corporation as determined by its salaried personnel policies and procedures.

Delphi Automotive Systems reserves the right to amend, change, or terminate these provisions.

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## *Employee Assistance Program*

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### *Eligibility*

EAP services are available to all Delphi employees, retirees or sponsored dependents.

### *If you have personal or family problems...*

The Employee Assistance Program (EAP) is a resource available to assist employees and family members in identifying and resolving personal problems. These may include marital or family issues, mental health, substance abuse, financial or legal difficulties, stress or changes in your work or family life.

Services are provided by trained counselors and include problem assessment, brief counseling, referral to community resources, ongoing support and follow-up. Assistance is provided to link employees with helpful resources within Delphi as well. The EAP also conducts employee education and management training programs on health promotion, work and family life issues.

### *Cost*

There is no cost to use the EAP. There may be costs, however, related to services provided by resources you are referred to. If you are referred to a community resource or treatment program, efforts are made to refer you to a service covered by your health benefit plan.

### *Confidentiality*

Confidentiality is the cornerstone of EAP. Confidentiality guidelines are in compliance with Federal and State regulations and are reviewed with you by your EAP counselor.

You may contact your local EAP through your supervisor, Personnel or Medical Department.

### *Information*

Or, to obtain additional information regarding EAP, call CIGNA Behavioral Health at 1-888-371-0767.

# *General Information*

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## ***Delphi Contributions***

Delphi makes contributions for Part A of the Retirement Program, most of the cost of Part B of the Retirement Program, Basic Life Insurance and disability benefit coverages, while you are in active service. Delphi also makes contributions for health care coverages, with the exception of contributions that may be required for sponsored dependent coverage, or self-paid continuation, or for deductibles, copayments, or sanctions required under the rules of the Salaried Health Care Program. The Enhanced Medical Plan (EMP) the POS plan and certain HMOs or PPOs and dental coverage, if elected, may require an enrollee contribution. Under the Savings-Stock Purchase Program, Delphi may make contributions for each \$1.00 an employee contributes up to 7% of eligible salary.

The contributions to the Retirement Program are actuarially determined. The contribution amounts under the Life and Disability Benefits Program are determined by the Carrier and Delphi based on claim experience. The contribution amounts for the self-insured Salaried Health Care Program also are based on claim experience.

Benefits made available by Delphi, the full costs of which are borne by employees, are Optional Life Insurance, Dependent Life Insurance, Personal Accident Insurance, flexible spending accounts, Supplemental Extended Disability Benefit and sponsored dependent medical coverage.

## ***Recovery of Benefit Overpayments***

If any benefit paid to you should not have been paid, or should have been paid in a lesser amount, your prompt voluntary repayment will be requested. If necessary, to the extent allowed by applicable law, overpayments or an overpayment may be recovered from any monies then payable, or which may become payable, to you in the form of salary or benefits payable under a Delphi benefit plan (excluding the Delphi Automotive Systems Retirement Program and S-SPP, except with respect to overpayments by the respective plans). Salaried Health Care Program overpayments may be recovered from salary or benefit plans or programs, as appropriate; but overpayments under other plans or programs will not be offset against health care benefits.

If you wish, you may direct Delphi to withhold an amount up to 10% of your monthly retirement benefit to repay a benefit overpayment. S-SPP distributions also may be reduced to repay an overpayment.

## ***Cessation of Coverages***

Health care coverages cease at the end of the month in which you quit or are discharged, or immediately if you do not make required contributions. COBRA and conversion privileges are described on pages 131 and 132.

All Life and Disability Benefits Program coverages cease on the day you quit voluntarily or are discharged. If your employment is terminated for any other reason, except retirement, all coverages continue until the end of the month in which your length of service is broken, provided you make all required contributions.

Optional Life Insurance ceases when Basic Life Insurance ceases (except for retirement) or at the end of the month in which you attain age 75; however, if you continue to work beyond age 75, this insurance ceases at the end of the month preceding your retirement date. If you fail to make a required monthly contribution, insurance will cease at the end of the month preceding the month for which the contribution was due.

Dependent Life Insurance ceases when Basic Life Insurance ceases (except for retirement) or at the end of the month in which you attain age 70, or if you continue to work beyond age 70, this insurance ceases at the end of the month preceding your retirement date. If you fail to make a required monthly contribution, insurance will cease at the end of the month preceding the month for which the contribution was due.

Personal Accident Insurance ceases when Basic Life Insurance ceases (except for retirement). If you fail to make a required monthly contribution, insurance will cease at the end of the month preceding the month for which the contribution was due.

Dependent Life Insurance and Personal Accident Insurance spouse and child(ren) coverages also cease for any person when that person no longer is an eligible dependent.

Conversions privileges are set forth on page 120.

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## *Years of Participation*

Years of participation under the Life and Disability Benefits Program is defined as follows:

- **Prior to September 1, 1950**, years of participation, in general, equal your recognized length of service as of September 1, 1950.
- **From September 1, 1950 through December 31, 1973**, you receive credit while insured for life insurance, plus any period while (1) on military leave or (2) receiving your life insurance in installments because of total and permanent disability. If you are not insured for a period in excess of 24 consecutive months and your recognized length of service is broken, you lose credit for prior years of participation.

If your credited service under the Delphi Retirement Program is greater than your years of participation, credited service may be used instead of years of participation.

- **On and After January 1, 1974**, for Life and Disability Benefits Program purposes, your credited service accrued on and after January 1, 1974 under the Retirement Program will be added to your years of participation under the Life and Disability Benefits Program (or credited service, if greater) as of December 31, 1973.

## *Life Insurance and Personal Accident Insurance Certificates*

Detailed provisions of the insured benefit coverages you have under the policies issued to Delphi by its Insurance Carriers can be made available to you by contacting the National Benefit Center toll-free at 1-800-435-3946, or for the hearing or speech impaired, at 1-800-872-8682.

## *Length of Service*

Your period of employment, with the various employing units of Delphi, that is considered unbroken is your length of service.

You do not attain the status of a regular employee until satisfactory completion of an orientation and development period of employment, generally after 12 continuous months of salaried employment. This 12 months is included in your length of service.

For more information about length of service, contact your supervisor or salaried personnel representative or refer to the U.S. Salaried Employee Handbook.

## *Benefits for Part-Time Employees*

Part-time salaried employees who regularly work at least half their employing unit's base work week and who are eligible to accumulate length of service in accordance with Corporation policy, may be eligible to participate in certain Delphi benefit programs for salaried employees.

## *Benefits for Flexible Service Employees*

- **Sickness and Accident Benefits** will be paid according to Sickness and Accident Plan provisions except that Flexible Service employees will be compensated at a rate proportional to their work schedule. Flexible Service employees are not eligible for Extended Disability Benefits or Supplemental Extended Disability Benefits.
- **Basic Life Insurance** is provided at no cost to Flexible Service employees in the amount of \$15,000. Flexible Service employees are not eligible for work-related accidental death benefits.
- **Optional life, Dependent Life and Personal Accident Insurance** is offered on the same basis as a regular active employee.

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Flexible Service employees are eligible for all Delphi Options! elections, except Basic Life Insurance and Supplemental Extended Disability Benefits, on the same basis as regular active employees.

- **Medical Plan** — Flexible Service employees are eligible for the same Health Care options as regular active employees and may be assessed an additional monthly contribution for all coverages other than Basic Medical Health Care Plan. Health Care selection will occur during the annual open enrollment period. Extended Care Coverage (ECC) also is included as a part of the Flexible Service Employee Medical Plan coverages.
- **Flexible Spending Accounts** — Flexible Service employees are eligible to contribute, on the same basis as regular active employees, pre-tax dollars to Health Care and/or Dependent Care Spending Accounts during the annual open enrollment period. Flexible Service employees will be subject to the same account maximums and proof of expenses provisions as regular active employees.
- **Flexible Compensation Payment (FCP)** — Subject to all terms and conditions of the payment, Flexible Service employees will be eligible for 65% of the first \$1,200 of the FCP provided to regular active employees, or \$780. Flexible Service employees will not be eligible for the portion of the FCP which allows regular active employees to purchase additional days off.
- **Financial Planning** — Flexible Service employees continue to be eligible to elect the Financial Planning Option and have the added convenience of payroll deduction and enrolling through the annual Delphi Options! Program enrollment process.

Flexible Service employees continue to be eligible to participate in the Delphi Savings-Stock Purchase Program, the Personal Retirement Income Plan, the Section 529 College Advantage Plan, the Salaried Retirement Program, the Dental and Vision Plans, the Disability Plan, Long-Term Care Insurance, and Personal Accident Insurance, in accordance with specific provisions set forth in each plan.

The following life insurance provisions apply to Flexible Services employees who are not actively at work:

- **Disability Leave of Absence** — Basic Life Insurance and Sickness and Accident coverage are continued for up to 12 months without cost to a Flexible Service employee. Optional life, dependent life and Personal Accident Insurance may be continued while Basic Life Insurance remains in force, provided the required contributions are paid by the employee.
- **Separations (for reasons other than quit or discharge)** — Basic Life Insurance and Sickness and Accident coverage are continued for the balance of the month last worked and for the first full calendar month thereafter at no cost to the employee. Following this period, Basic Life Insurance may be continued for the next 11 months or on a time-for-time basis, whichever is less, provided the required contributions are made.  
  
Optional life, dependent life and Personal Accident Insurance may be continued while Basic Life Insurance remains in force provided the required contributions are paid by the employee
- **Retirement** — If a flexible service employee is hired prior to January 1, 1993, and:
  - Retires from active service, Basic Life Insurance may be continued for the balance of the month in which the employee last works and for the first full month thereafter at no cost to the employee. Following this period Basic Life Insurance may be continued for the next 11 months provided the required contributions are paid (subject to reduction upon retirement).
  - Retires from a disability leave of absence, Basic Life Insurance may be continued for the balance if any of the 12-month period remaining from the disability leave, provided the required contributions are paid.

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- Retires with benefits under the Delphi Retirement Program and was eligible for such benefits on the date of transfer to Flexible Service employment, the Basic Life coverage in force as of the date of transfer may be continued on the same basis as for any other regular active salaried employee, provided the Flexible Service employee was hired as a regular salaried employee prior to January 1, 1993.
  - Optional Life, Dependent Life and Personal Accident Insurance may be continued while Basic Life Insurance remains in force, provided the required contributions are paid.
- **Retirement, if a flexible service employee is hired on or after to January 1, 1993:**
- On the date employee retires the amount of Basic Life Insurance shall be discontinued.
  - Optional Life, Dependent Life and Personal Accident Insurance may be continued for up to 12 months following the month the employee last worked provided the employee makes the required contribution and remains otherwise eligible.

### ***Benefits for Cooperative Students***

College-level cooperative students employed by Delphi prior to January 1, 1999, are provided certain benefit coverages in relation to the amount of time for which they receive pay. Cooperative students hired on or after January 1, 1999, are not eligible for health care and life and disability benefit coverages. Furthermore, such cooperative students are not eligible to participate in the Savings-Stock Purchase Program.

### ***Benefit Program Coverages While on Non-Disability Leave***

As an alternative to continuation rights under federal law, if you are granted a leave of absence for a reason other than disability, you may continue your benefit coverages as described in the following:

### ***Health Care Coverage***

From time to time the Corporation may establish certain leave or separation programs under which you may be offered limited continuation privileges provided specified monthly contributions are made. These programs may vary in percentage of the full cost of coverage that you may be required to pay and in the length of the continuation period as stipulated by the leave program.

Your health care coverage as an active employee will cease at the end of the month in which you are last in active service. If you wish to continue coverages (other than dental) beyond this time you may do so provided you make the necessary contributions as described in the following:

- **Dependent care leave:** Coverage may be continued for up to 24 months, provided you pay 50% of the full monthly cost for the first 12 months and 100% thereafter. If a dependent care leave (or portion of such leave) is also covered by provisions of the Family Medical Leave Act (FMLA) you may continue the health care coverages with corporation contributions for that portion of the leave covered by FMLA.
- **Educational leave:** Coverage may be continued for the duration of the leave, provided you pay 50% of the full monthly cost.
- **All other non-disability leaves:** Coverage may be continued for up to 12 months, provided you pay 50% of the full monthly cost.

### ***The Family and Medical Leave Act of 1993***

Under the Family and Medical Leave Act of 1993 (FMLA), you may be eligible to receive health care coverages on the same basis as an active employee for up to 12 weeks in a year, if such leave is related to:

- The birth of a child or the placement of a child by adoption or foster care;
- The need to provide care for a family member (child(ren), spouse, parent) with a serious health condition; or
- A serious health condition that makes you unable to do your job.

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**Note:** If your own serious health condition qualifies you for disability leave, it generally will be in your interest to apply for such leave. The benefit treatment is generally more favorable, and will NOT apply periods of disability leave against any FMLA entitlement that you may have.

If you do not return to work immediately following an FMLA leave, your eligibility and the basis for continuation of health care coverages, if any, will be governed by the Delphi Salaried Health Care Program provisions applicable to your status as of and following the date you do not return to work. If appropriate, Delphi can recover the cost for the continuation of health care coverage during the FMLA leave unless your continued absence is caused by a serious health condition or another reason beyond your control.

### ***Retirement Program***

Generally, you continue to be covered by the provisions of the Retirement Program while on a non-disability leave. However, you cannot make contributions, and no credited service can accrue except in the case of an approved military leave of absence.

### ***Savings-Stock Purchase Program (S-SPP)***

Although no additional contributions are permitted, you may leave your assets in the S-SPP and continue to vest any non-vested Delphi contributions. You retain withdrawal, fund exchange, and loan privileges. If you have an outstanding loan at the time you go on an unpaid leave of absence, you may suspend loan payments for up to 12 months of your leave.

This suspension may extend the original period of your loan, but not beyond the maximum period of five years (10 years if the loan is for the purchase or construction of your principal residence) at which time the loan is due and payable in full.

### ***Life and Disability Benefits Coverages***

For the first month following the month you last work prior to an approved non-disability leave of absence, Basic Life, any Sickness and Accident, and Extended Disability Benefit coverages will be continued with Delphi making contributions. Thereafter, you may continue Basic Life Insurance coverage for the next 11 months (or for the duration of an educational leave or 24 months for a dependent care leave), provided you contribute \$0.50 per month per \$1,000 of Basic Life Insurance.

If you were granted a non-disability leave of absence because of a medical condition that may be expected to result in total disability in the future (e.g., anticipated surgery or termination of pregnancy), Sickness and Accident and Extended Disability Benefit coverages may be reinstated when you become totally disabled. For disability coverages to be reinstated, you must (1) have been making contributions to continue your Basic Life Insurance and (2) present medical evidence satisfactory to Delphi that you are totally disabled. Delphi will contribute the cost of your Basic Life and reinstate disability coverages. Such Delphi contributions will start the first of the month in which you present evidence of total disability satisfactory to Delphi. While you continue to be disabled, Delphi will contribute the cost of your coverages, on the same basis as provided for an employee on a disability leave, as described on page 81.

You must make the required monthly contributions to continue any Optional Life, Dependent Life, and Personal Accident Insurance in effect while your Basic Life Insurance remains in force.

When you go on a non-disability leave, you will be given a notice explaining (1) your Basic Life and disability benefit continuance privileges and (2) any monthly contributions you may have to make.

### ***If You Leave Delphi Automotive Systems***

If you leave Delphi prior to retirement, you will have certain rights and be required to make certain decisions relative to your benefit program coverages, as described below.

### ***Program Conversion Privileges***

During the 31 days following cancellation of your life insurance and/or health care coverages, you may do the following:

- Convert, at your expense, to whatever "direct pay" individual contract for basic health care (but not prescription drug, dental, vision, hearing aid, or Extended Care Coverage) coverage is available. (Corporation contributions for health care coverage cease at the end of the month you are last in active service.) Application may be made in accordance with a notice that you will receive from the Carrier or the National Benefit Center.

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- You may convert, at your expense, all or part of your Basic Life Insurance. You may also convert Optional Life Insurance to an individual policy without proof of good health by contacting MetLife via the Internet at [www.solutions@metlife.com](mailto:www.solutions@metlife.com) or by calling 1-877-ASK-MET7 (1-877-275-6387). MetLife will arrange for a financial services representative to follow-up with you and assist you and/or your dependent in the application process.

Dependent Life Insurance may be converted only by covered dependents provided the insurance ceases for reasons other than failure to pay the required contributions. Any type of life insurance policy, except term insurance, then being issued by Metropolitan Life Insurance Company may be selected. Application may be made at any local life insurance sales office of Metropolitan Life Insurance Company. **Personal Accident Insurance may not be converted to an individual policy.**

## ***Retirement Program***

### ***Part A Basic and Part B Supplementary Benefits***

If you leave Delphi before retirement, have five or more years of credited service, (accrued on or after January 1, 1989), or "service" as defined on page 85, you will be eligible at age 65 for deferred Part A basic and Part B supplementary benefits, if any. You may elect to have these benefit payments start prior to age 65 on a reduced basis. Benefit payments would commence only after you have contacted the Pension Administration Center at 1-800-659-2000 and requested commencement of your benefit.

Your monthly Part A deferred vested retirement benefit, commencing at age 65, would be based on the vested basic benefit rate in effect for your salaried position level on the date your credited service is broken, as shown on page 87, times your years of credited service. If you were participating in Part B of the Program, any monthly Part B supplementary benefit payable at age 65 would be determined as of the date your credited service is broken, see page 87.

### ***Part B Primary Benefits***

If you leave Delphi before retirement, you may leave your Part B contributions in the Program or withdraw your contributions, plus interest.

If you leave your Part B contributions in the Program and have five or more years of credited service, you may be entitled to unreduced monthly Part B primary benefits commencing (1) at age 65, or (2) prior to age 65 on a reduced basis. If you have less than five years of credited service, you will receive benefits based only on your contributions.

Under the pre-retirement surviving spouse coverage, see pages 107 and 108, your spouse is provided a benefit in the event of your death. The pre-retirement coverage will provide a 50% benefit to your spouse, based on your benefit amount, and could be payable at the earliest age you could have commenced payment of your monthly benefits.

### ***Single-Sum Payment***

If the total amount of accrued deferred retirement benefit for a former employee is \$5,000 or less under Part A and Part B it will be paid in a single sum.

A former employee, or the surviving spouse of a former employee, entitled to a monthly deferred retirement benefit(s) may elect to receive benefit(s) in a single-sum payment. To request such a lump sum payment, they should contact the Pension Administration Center (PAC).

### ***Savings-Stock Purchase Program (S-SPP)***

If you leave Delphi and have five or more years of credited service at time of separation, you will be entitled to receive a full distribution of all assets in your account, including all Delphi contributions, regardless of the reason for termination of employment.

If employment ends and you have less than five years of credited service at time of separation, you will be entitled to receive a full distribution of all assets attributable to your contributions and related earnings, plus Delphi contributions, including earnings that have vested (i.e., completed the "Required Retention Period"). Any Delphi contributions not vested will be forfeited.

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If at the time of termination, the value of your vested assets is not greater than \$5,000, you will receive a distribution of the entire amount of such assets not later than 60 days following the month in which the termination occurs.

**Deferral of Distribution:** Upon termination, if the value of your S-SPP assets is greater than \$5,000, you may continue to leave your assets in the Program. You may elect subsequently to receive your S-SPP assets in a lump sum at any time. Upon attainment of age 65, if you still have assets in the Program you must elect to defer the distribution of your account; otherwise, it will automatically be distributed to you. You will be notified, in writing, of your deferral election option prior to any automatic distribution.

During the period your assets remain in the Program they may continue to grow on a tax-deferred basis. Moreover, you may continue to "manage" the assets in your account. You may (1) exchange assets among the various investment funds and (2) borrow from your assets as permitted under Program provisions. Any outstanding S-SPP loans you have at the time of termination, or any new loans you may take thereafter, must be repaid by making monthly cash payments. The Delphi Investment Service Center will send you loan repayment coupons for use when submitting your cash payments.

- **Installment Payments and Partial Distributions:** During the period your assets remain in the Program you may elect to receive periodic installment payments from your account. Installment payments may be made on a monthly, quarterly, semi-annual or annual basis. Installments must be in whole dollar amounts and total at least \$1,200 each year. You may, at any time, revise the amount and frequency of any such installments, or you may discontinue installment payments. Additionally, you may take a partial distribution of your assets at any time, either in addition to any installment payments you may elect or without installment payments.

- **Age 70-1/2 Minimum Distribution Requirement:** If you (1) defer receipt of your S-SPP assets and (2) later attain age 70-1/2 and continue to have an account balance, federal law requires that you must receive annually a minimum required distribution from your account. The first such minimum distribution payment will be made to you automatically, in December of the year in which you attain age 70-1/2, unless you elect to defer receipt of your first minimum distribution payment until no later than April 1 of the following year. Thereafter, depending upon the amount you withdraw voluntarily during the calendar year from your S-SPP account, a minimum distribution payment will be made to you in December each year.

When a minimum distribution is required from your S-SPP account this requirement will be satisfied in one of two ways. First, absent any installment or partial distribution(s) from your account in the year, a distribution equal to the minimum required amount will be paid to you in December of the year. Second, the cumulative amount of any voluntary (1) installment distribution(s) and (2) partial distribution(s) that you take from your account during the year will first be used to satisfy the legally required minimum amount applicable for such a year.

The amount of your minimum distribution payment will be based upon your (1) account balance and (2) remaining life expectancy, unless you elect to have the payment based upon both your life and your S-SPP Beneficiary's life expectancies. You will be notified, in writing, prior to receipt of your initial minimum required distribution.

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## *When Your Delphi Employment Ends*

It is important for you to know how your separation is classified, because the separation classification has a direct bearing on any eligibility you may have under Delphi benefit plans.

### *Separation Classifications*

#### ■ **Retirements**

Your age and Credited Service at retirement will determine your specific retirement classification, which in turn will affect certain benefits.

#### ■ **Quit**

A separation is classified as a quit if:

- You resign from the Corporation and do not retire; or
- You do not report to work at the end of an approved leave of absence in accordance with the terms of the leave; or
- You fail to accept a suitable offer of employment by the Corporation.

#### ■ **Discharge**

A discharge is the separation of an employee for personal misconduct.

Some of the reasons for discharge may include dishonesty, violence, willful violation of instructions or Corporate policy, abuse of Corporation-provided computing or communication resources, insubordination, failure to comply with the Corporation's ethical standards as generally outlined in Foundations for Excellence, refusal to comply with governmental requirements related to employment, conduct reflecting badly on the Corporation (even if such conduct occurs away from the job), and any other conduct which the Corporation determines is not in the Corporation's best interest.

#### ■ **Final Release**

A Final Release is the separation of an employee because of a determination by Delphi of unsatisfactory performance of assigned duties or because the employee is incapable of performing those duties.

#### ■ **Mutually Satisfactory Release**

A Mutually Satisfactory Release is the separation of an employee that cannot properly be classified as a retirement, quit, discharge, or Final Release, but which is satisfactory to both Delphi and the employee.

#### ■ **Special Separation**

A Special Separation is the separation of an employee that cannot be properly classified under any of the above classifications.

Special Separations may include:

- The closing of an office or business location;
- A reduction in force;
- Downsizing;
- Restructuring;
- Job elimination; or
- Other circumstances determined by the Corporation.

### *Separation Allowance*

A Separation Allowance Plan has been established for the benefit of U.S. salaried employees separated from Delphi employment under certain circumstances, as determined by the Corporation.

### *Eligibility*

Effective June 1, 2001, Separation Allowance Plan benefits are payable to U.S. employees compensated as regular or flexible service salaried employees, who are separated as the result of:

- Mutually Satisfactory Release; or
- Certain Special Separations.

Separation Allowance Plan benefits are **not** available in the event of:

- Retirement;
- Quit;
- Discharge;
- Participation in a special incentive separation program unless the program expressly permits the employee to receive Separation Allowance Plan benefits;
- Transfers between the Corporation and any of its wholly owned or substantially wholly owned domestic and foreign subsidiaries or other entity owned by Delphi;
- Separation arising out of outsourcing, the sale of a corporate unit, merger or other combination, spin-off, reorganization, liquidation, dissolution, or other winding up involving Delphi where the employee continues or is offered the opportunity to continue employment;

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- A court decree; or
- Death.

#### **Severance Pay and Other Transition Assistance**

- **With Release of Claims**  
Employees who are separated as the result of a Mutually Satisfactory Release or Certain Special Separations and sign a Release of Claims are eligible for Severance Pay and Other Transition Assistance.

Severance Pay will be determined in accordance with the following schedule:

Length of Service	Severance Pay (Months of Monthly Base Salary)*
0 but less than 5	3
5 but less than 10	4
10 but less than 15	6
15 but less than 20	8
20 but less than 25	10
25 or more	12

\* The inclusion of a schedule of Severance Pay in this booklet, together with the conditions governing their payment, is not intended nor is it to be interpreted to establish a contractual relationship with the employee.

Severance Pay will be paid in a lump sum, is taxable and is calculated based on the monthly salary on the last day worked (except for those employees returning to regular status from flexible service status).

Other Transition Assistance will consist of:

- The opportunity to utilize Delphi-provided outplacement services (the cost of which may not exceed \$5000); and
- \$2000 lump-sum payment which the employee, at his or her discretion, may use toward COBRA health care continuation coverage.

Separated employees will receive a lump-sum payment for unused, vested vacation days per completed calendar year quarter.

- **Without Release of Claims**  
Employees who are separated and do not sign a Release of Claims will receive one month of base salary and are not eligible to receive Severance Pay or Other Transition Assistance.

Separated employees will receive a lump-sum payment for unused, vested vacation days per completed calendar year quarter.

- **Final Release**  
Employees separated as the result of a Final Release will be paid one month of base salary.

Employees separated as a Final Release during an Orientation and Development period will only be paid for time worked and are not eligible for Severance Pay or Other Transition Assistance.

#### **Exit Interview**

Employees who transfer between units, resign or leave Delphi will be given an exit interview, if feasible. In the case of a Corporation-initiated separation, the exit interview will be the occasion for informing the employee of the reason for separation and the employee's status as a separated employee, as well as the impact upon participation in the Delphi benefit plans.

The benefits an employee will receive are determined by provisions of the individual benefit programs. Persons conducting the interview do not have the authority to commit the Corporation to anything not provided for under such plans or programs, or to change the eligibility provisions or any other provisions under such plans or programs.



# *Employee Retirement Income Security Act of 1974 (ERISA)*

With the exception of the right to amend, modify, suspend or terminate, this section applies only to benefit plans governed by ERISA.

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## *Types of Plans*

The Delphi Salaried Retirement Program is a defined benefit plan and provides trustee and/or insured retirement benefits to employees who retire and to their eligible survivors. The Delphi Life and Disability Benefits Program is a welfare benefit plan providing life, personal accident and disability coverages to employees. The Delphi Salaried Health Care Program is a welfare benefit plan that provides insured and/or self-insured benefits to employees and their eligible dependents. The Delphi Savings-Stock Purchase Program is a defined contribution plan with an employee stock ownership plan feature that provides trustee benefits to employees who elect to participate in this program. The Delphi Separation Allowance Plan is a welfare benefit plan that provides benefits to salaried employees for separation under certain circumstances. The Employee Assistance Program is a welfare benefit plan that provides assistance to salaried employees with personal problems.

The SRP trustee benefits are provided through the payor bank, Bank One. Savings-Stock Purchase Program trustee benefits are provided through State Street Bank and Trust Company. All life insurance, Personal Accident and Retirement Program insured benefits are provided through the Metropolitan Life Insurance Company. Health care benefits for employees are provided through Carriers such as CIGNA, Blue Cross/Blue Shield, HealthPlus and health maintenance organizations. Dental benefits are provided through Carriers such as JLT Group Services Corporation. Long-term care insurance benefits are provided through John Hancock Life Insurance Company. Employee Assistance Program services are provided by Delphi and selected providers. Delphi is responsible for administration of the plans described in this booklet.

## *Plan Year*

December 31 is the end of the Plan year for all plans and programs except the retirement program. Records of these plans are kept on a calendar year basis. The SRP Plan year ends on September 30.

## *Named Fiduciary*

Except as described below, the Executive Committee of the Board of Directors of Delphi Automotive Systems Corporation is the Named Fiduciary of the benefit plans described in this booklet which are governed by ERISA. The Executive Committee may delegate authority to carry out such responsibilities as it deems proper, to the extent permitted by ERISA. Except as provided below, General Motors Investment Management Corporation (GMIMCo) is the Named Fiduciary of the S-SPP and the SRP for purposes of investment of Program/Plan assets. GMIMCo may delegate authority to carry out such responsibilities as it deems proper, to the extent permitted by ERISA. For purposes of the S-SPP, any Participant or Beneficiary, who makes an investment election permitted under the Program or otherwise exercises control permitted under the Program over the assets in the account, shall be deemed the Named Fiduciary under ERISA responsible for such decisions to the extent that such designation is permissible under applicable law and that the investment election or other exercise of control is not protected by Section 404(c) of ERISA, as amended.

## *Administrator*

Delphi Automotive Systems Corporation is the sponsoring employer and administrator of the employee benefit plans described in this booklet which are governed by ERISA. The administrator's address is Mailcode 480-414-456, Timberland Office Park, 1450 West Long Lake Road, Troy, MI 48098.

## *Identification Numbers*

Delphi Automotive Systems' employer identification number is 38-3430473. Plan numbers are as follows:

Program/Plan Name	Number
Retirement Program	001
Savings-Stock Purchase Program	002
Life & Disability Benefits Program	501
Dependent Care Spending Account	517
Health Care Spending Account	518
Separation Allowance Plan	522
Salaried Health Care Program	524
Employee Assistance Program	527
Long-Term Care Insurance	529

## ***Legal Process***

Service of legal process on Delphi Automotive Systems Corporation may be made at any office of the CT Corporation. CT Corporation, which maintains offices in all 50 states, is the statutory agent for services of legal process on Delphi. The procedure for making such service generally is known to practicing attorneys. Service of legal process also may be made upon Delphi at the Service of Process Office, Delphi Legal Staff, 5725 Delphi Drive, Troy, MI 48098.

For long-term care insurance, service of legal process with respect to the provisions of the insurance contract should be directed to John Hancock Life Insurance Company, Group Long-Term Care Division, 197 Clarendon Street, C-7, P.O. Box 111, Boston, MA 02117. As to all other matters, service for legal process with respect to the Plan should be directed to the Plan Administrator named above.

## ***Participant Rights***

As a participant in the Delphi benefit plans, you are entitled to certain rights and protections under ERISA. ERISA provides that all plan participants shall be entitled to:

### ***Receive Information About Your Plan and Benefits***

Examine, without charge, at the plan administrator's office and at other specified locations, such as worksites, all documents governing the plan, including insurance contracts and collective bargaining agreements, and a copy of the latest annual report (Form 5500 Series) filed by the plan with the U.S. Department of Labor and available at the Public Disclosure Room of the Pension and Welfare Benefit Administration.

Obtain, upon written request to the plan administrator, copies of documents governing the operation of the plan, including insurance contracts and collective bargaining agreements, and copies of the latest annual report (Form 5500 Series) and updated summary plan description. The administrator may make a reasonable charge for the copies.

Receive a summary of the plan's annual financial report. The plan administrator is required by law to furnish each participant with a copy of this summary annual report.

Obtain a statement telling you whether you have a right to receive a pension at normal retirement age (age 65) and if so, what your benefits would be at normal retirement if you stop working under the plan now. If you do not have a right to a pension, the statement will tell you how many more years you have to work to get a right to a pension. This statement must be requested in writing and is not required to be given more than once every twelve (12) months. The plan must provide the statement free of charge.

### ***Continue Group Health Plan Coverage***

Continue health care coverage for yourself, spouse or dependents if there is a loss of coverage under the plan as a result of a qualifying event. You or your dependents may have to pay for such coverage. Review this summary plan description and the documents governing the plan on the rules governing your COBRA continuation coverage rights.

Reduction or elimination of exclusionary periods of coverage for preexisting conditions under your group health plan, if you have creditable coverage from another plan. You should be provided a certificate of creditable coverage, free of charge, from your group health plan or health insurance issuer when you lose coverage under the plan, when you become entitled to elect COBRA continuation coverage, when your COBRA continuation coverage ceases, if you request it before losing coverage, or if you request it up to 24 months after losing coverage. Without evidence of creditable coverage, you may be subject to a preexisting condition exclusion for 12 months (18 months for late enrollees) after your enrollment date in your coverage.

### ***Prudent Actions by Plan Fiduciaries***

In addition to creating rights for plan participants ERISA imposes duties upon the people who are responsible for the operation of the employee benefit plan. The people who operate your plan, called "fiduciaries" of the plan, have a duty to do so prudently and in the interest of you and other plan participants and Beneficiaries. No one, including your employer, your union, or any other person, may fire you or otherwise discriminate against you in any way to prevent you from obtaining a (pension, welfare) benefit or exercising your rights under ERISA.

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### *Enforce Your Rights*

If your claim for a (pension, welfare) benefit is denied or ignored, in whole or in part, you have a right to know why this was done, to obtain copies of documents relating to the decision without charge, and to appeal any denial, all within certain time schedules.

Under ERISA, there are steps you can take to enforce the above rights. For instance, if you request a copy of plan documents or the latest annual report from the plan and do not receive them within 30 days, you may file suite in a Federal court. In such a case, the court may require the plan administrator to provide the materials and pay you up to \$110 a day until you receive the materials, unless the materials were not sent because of reasons beyond the control of the administrator. If you have a claim for benefits which is denied or ignored, in whole or in part, you may file suite in a state or Federal court. In addition, if you disagree with the plan's decision or lack thereof concerning the qualified status of a domestic relations order or a medical child support order, you may file suite in Federal court. If it should happen that plan fiduciaries misuse the plan's money, or if you are discriminated against for asserting your rights, you may seek assistance from the U.S. Department of Labor, or you may file suite in a Federal court. The court will decide who should pay court costs and legal fees. If you are successful the court may order the person you have sued to pay these costs and fees. If you lose, the court may order you to pay these costs and fees, for example, if it finds your claim is frivolous.

### *Assistance With Your Questions*

If you have any questions about your plan, you should contact the plan administrator. If you have any questions about this statement or about your rights under ERISA, or if you need assistance in obtaining documents from the plan administrator, you should contact the nearest office of the Pension and Welfare Benefits Administration, U.S. Department of Labor, listed in your telephone directory or the Division of Technical Assistance and Inquiries, Pension and Welfare Benefits Administration, U.S. Department of Labor, 200 Constitution Avenue N.W., Washington, D.C. 20210. You may also obtain certain publications about your rights and responsibilities under ERISA by calling the publications hotline of the Pension and Welfare Benefits Administration.

### *Benefit Guaranty*

Certain benefits under the Delphi Salaried Retirement Program are insured by the Pension Benefit Guaranty Corporation (PBGC), a federal insurance agency. If the plan terminates (ends) without enough money to pay all benefits, the PBGC will step in to pay pension benefits. Most people receive all of the pension benefits they would have received under their plan, but some people may lose certain benefits.

The PBGC guarantee generally covers:  
(1) Normal and early retirement benefits;  
(2) disability benefits if you become disabled before the plan terminates; and (3) certain benefits for your survivors.

The PBGC guarantee generally does not cover:  
(1) Benefits greater than the maximum guaranteed amount set by law for the year in which the plan terminates; (2) some or all of benefit increases and new benefits based on plan provisions that have been in place for fewer than 5 years at the time the plan terminates; (3) benefits that are not vested because you have not worked long enough for the company; (4) benefits for which you have not met all of the requirements at the time the plan terminates; (5) certain early retirement payments (such as supplemental benefits that stop when you become eligible for Social Security) that result in an early retirement monthly benefit greater than your monthly benefit at the plan's normal retirement age; and (6) non-pension benefits, such as health insurance, life insurance, certain death benefits, vacation pay, and severance pay.

Even if certain of your benefits are not guaranteed, you still may receive some of those benefits from the PBGC depending on how much money your plan has and on how much the PBGC collects from employers.

For more information about the PBGC and the benefits it guarantees, ask your plan administrator or contact the PBGC's Technical Assistance Division, 1200 K Street N.W., Suite 930, Washington, D.C. 20005-4026 or call 202-326-4000 (not a toll-free number). TTY/TDD users may call the federal relay service toll-free at 1-800-877-8339 and ask to be connected to 202-326-4000. Additional information about the PBGC's pension insurance program is available through the PBGC's website on the Internet at <http://www.pbgc.gov>.

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## ***Right to Amend, Modify, Suspend or Terminate***

Delphi Automotive Systems reserves the right to amend, modify, suspend, increase, decrease or terminate any of its employee benefit plans or programs by action of its Board of Directors (Board) or other committee or individual expressly authorized by the Board to take such action. The benefits to which an employee is entitled are determined solely by the provisions of the applicable benefit plan or program. Absent an express delegation of authority from the Board of Directors, no one has the authority to commit the Corporation to any benefit or benefit provisions not provided for under the applicable benefit plan or program, or to change the eligibility criteria or any other provisions of such plan or program.

## ***Salaried Retirement Program***

In the event that the Retirement Program is partially or totally terminated, the amount of assets available to provide benefits shall be allocated in the levels of priorities stated below, less expenses for administration or liquidation:

- Mandatory employee contributions;
- In the case of benefits payable as an annuity:
  - In the case of benefits in pay status three years prior to termination (at the lowest pay level in that period and at the lowest benefit level under the Program during the three years prior to termination); and
  - In the case of benefits that would have been in pay status three years prior to termination had the participant been retired (and had the participant's benefits commenced then, at the lowest benefit level under the Program during the three years prior to termination);
- All other benefits of individuals under the Program that are guaranteed under the plan termination insurance provisions of ERISA, determined without regard to Section 4022 of ERISA;
- All other non-forfeitable benefits under the Program; and
- All other benefits under the Program.

In the event of termination or partial termination of the Program, the rights of all affected employees to benefits accrued to the date of such termination, partial termination, or discontinuance, to the extent funded as of such date, is nonforfeitable.

## ***Life and Disability Benefits Program and Health Care Program***

Upon termination or partial termination of either Program, coverage will cease as of the effective date of termination or partial termination.

## ***Long-Term Care Insurance***

Upon termination of the plan, coverage will cease as of the effective date of termination. John Hancock has represented to Delphi that all insured persons may continue coverage in effect under a replacement policy or a conversion policy issued by John Hancock.

## ***Savings-Stock Purchase Program***

Upon termination, or partial termination, of the S-SPP, no further contributions will be made to the accounts of participants. Participants will maintain entitlement to vested benefits held in their account.

## ***Trustees***

Trustees of the Retirement Program, who accumulate assets through which trusted retirement benefits (Part A and Part B supplementary) are provided, are as follows:

State Street Bank and Trust  
P.O. Box 1992  
Boston, Massachusetts 02105

Chase Manhattan Bank  
Chase Metrotech Center  
Brooklyn, New York 11245

Mellon Trust  
One Mellon Bank Center, Room 3346  
Pittsburgh, Pennsylvania 15258

General Motors Trust Company  
767 5<sup>th</sup> Avenue, 15<sup>th</sup> Floor  
New York, New York 10153

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Some retirement benefits (Part B primary) are provided through the following insurance companies:

Aetna Life Insurance Company  
151 Farmington Avenue  
Hartford, Connecticut 06115

Metropolitan Life Insurance Company  
One Madison Avenue  
New York, New York 10010-3690

Prudential Life Insurance Company  
Prudential Plaza  
Newark, New Jersey 07101

The Trustee of the Savings-Stock Purchase Program, who accumulates assets through which benefits are provided, is:

State Street Bank and Trust Company  
Master Trust Division  
One Enterprise Drive  
North Quincy, Massachusetts 02171

### ***Application and Claims Review Procedures***

To receive benefits under any of these employee benefits plans, generally you will need to file an application. Appropriate forms are available by contacting the appropriate servicing center, whose phone numbers are listed on pages iii and iv.

After your application is received, your eligibility for benefits will be determined, and you will be advised accordingly.

If your application for benefits is denied in whole or in part, written notice will be made to you as soon as practicable but generally no later than 90 days after receipt of your application (45 days if relating to a claim for disability benefits). This notice will include specific reasons for the denial and will refer to the plan provisions upon which the denial is based. The notice also will include a description of any additional information that may

be needed if the claim is to be resubmitted. An explanation of the procedure by which you may have your denied claim reviewed also will be included in the notice.

Within 60 days after receipt of a formal notification letter from the Insurance Company that a life insurance claim or a Personal Accident Insurance claim has been denied in whole or in part and the reasons for such denial, the employee or Beneficiary may request that the Insurance Company review the denial of that claim. The request for review should be submitted to the Insurance Company at the address where the life insurance claim was processed (or as otherwise instructed). As a part of the review, the employee or Beneficiary should submit any data or written comments to support the claim.

A written decision on the employee's or Beneficiary's request for review will be furnished within 60 days (45 days if relating to a claim for disability benefits) after the written request for review is received. If special circumstances require an extension of time, the written decision will be furnished within 120 days (90 days if relating to a claim for disability benefits). This written decision on the review will include the specific reasons for the decision and will set forth specific reference to plan provisions upon which the decision is based.

With the exception of life insurance and long-term care, which are insured, or HMOs which have their own exclusive claims review procedure, if you are not satisfied with the decision, you may appeal within sixty (60) days to the Employee Benefit Plans Committee (EBPC) which has been delegated authority to construe, interpret, and administer Delphi Automotive Systems' employee benefit plans. **The decision of the Employee Benefit Plans Committee is final and binding.** You may initiate such an appeal by writing the Secretary, EBPC, at Mail Code 480-414-456, Timberland Office Park, 1450 West Long Lake Road, Troy, Michigan 48098.

# ***Consolidated Omnibus Budget Reconciliation Act (COBRA)***

The notice on the pages that follow is required under COBRA at the time you become eligible for Corporation contributions for health care coverage.

The Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA), as amended, requires most employers sponsoring group health plans to offer employees and their families the opportunity to buy a temporary extension of health coverage (called "COBRA Continuation Coverage"), at a contribution rate slightly above group rates, in certain instances where coverage under the employer's plan is lost. For COBRA purposes, a "loss of coverage" means any change in the terms or conditions of your coverage. This notice is intended to inform you, in a summary fashion, of your rights and obligations under COBRA. Both you and your spouse, if applicable, should take the time to carefully read this notice.

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## ***When COBRA Applies***

COBRA applies to you if you have coverage as an active employee, as an employee on disability leave, or as a dependent of one of the above.

## ***Employee Information***

As an employee, you have a right to elect COBRA Continuation Coverage if you "lose" your group health coverage because of a reduction in your hours of employment or the termination of your employment (for reasons other than gross misconduct on your part).

In some situations, you may "lose coverage" but have a limited opportunity to continue some alternate coverage under the SHCP (SHCP Continuation). In such cases, the options available to you will be explained. You will be required to elect between COBRA and continuation under the SHCP (Program Continuation).

## ***Retiree Information***

At the time you retire, you and your eligible dependents may be able to continue your health care coverages under the SHCP as noted on page 97. Alternatively, you or your dependents may elect to continue health care under COBRA (COBRA continuation). If you elect COBRA, you waive any rights you may have to SHCP Continuation. Further, if you elect SHCP Continuation, you waive your rights to COBRA.

## ***Spouse Information***

If you are the spouse of a covered employee, you have the right to elect COBRA Continuation if you lose group health coverage for any of the following three reasons:

- The death of your spouse;
- A termination of your spouse's employment (for reasons other than gross misconduct) or reduction in your spouse's hours of employment sufficient to cause a loss of coverage(s); or
- Divorce from your spouse.

## ***Dependent Children Information***

In the case of dependent children of a covered employee, the children have the right to COBRA Continuation if group health coverage is lost for any of the following four reasons:

- The death of the covered employee;
- The termination of the covered employee's employment (for reasons other than gross misconduct) or reduction in the hours of employment sufficient to cause a loss of coverage(s);
- Parents' divorce; or
- The dependent ceases to be a "dependent child" under the terms of the Program.

## ***General Information***

***Under COBRA, the employee or a family member has the responsibility to inform Delphi Automotive Systems of a divorce, legal separation, or a child losing dependent status under the plan within 60 days from the date on which eligibility ceases.***

In the event of a reduction in your hours, termination of employment, death, or retirement, Delphi (or a COBRA Administrator acting for Delphi) is responsible for notifying you or your dependent(s) of the right to elect COBRA Continuation. Under the law, you or your dependent(s) have 60 days from the date you (1) would lose coverage or (2) are notified of your rights, to inform Delphi that you want COBRA Continuation.

If you do not elect COBRA Continuation and do not have alternative continuation rights under the SHCP, your group health coverage will end in accordance with the Program provisions. You may be eligible for a "conversion contract" from the Carrier administering your coverage when eligibility ceases. A conversion policy offers limited coverages and is a private contract between you and the Carrier.

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If COBRA Continuation is elected, it is coverage which, as of the time it is being provided, is identical to that provided under the SHCP to similarly situated employees or dependents. The law requires that you be afforded the opportunity to maintain COBRA Continuation for up to 36 months unless coverage was lost because of termination of employment or reduction in hours, in which case the maximum continuation period is 18 months. In addition, any employee or dependent determined to be disabled by the Social Security Administration under Title II or XVI may be eligible to extend this 18-month period for an additional 11 months at a higher contribution rate. However, the law also provides that your eligibility for COBRA Continuation may end earlier for any of the following four reasons:

- Delphi no longer provides group health coverage to any of its employees;
- The contribution for the COBRA Continuation is not paid;
- The individual becomes covered under another employer-paid group health plan; or
- The individual becomes enrolled in Medicare after electing COBRA Continuation.

You do not have to show that you are insurable to elect COBRA Continuation. However, under the law, you must pay the contribution rate for continued coverage. The law also provides that at the end of the 18-month or 36-month continuation period, you must be offered an individual conversion policy if that option is provided under the SHCP.

## *The Health Insurance Portability And Accountability Act Of 1996 (HIPAA)*

The Health Insurance Portability and Accountability Act of 1996 (HIPAA) established federal requirements to improve the availability and portability of health care coverage. Employers are required to provide a certificate of prior health care coverage when enrollees lose coverage.

A certificate is to be provided to: (1) an individual who is entitled to elect COBRA Continuation when a notice is provided for a qualifying event under COBRA; (2) an individual who loses coverage but is not entitled to elect COBRA Continuation; and (3) an individual who has elected COBRA Continuation when COBRA Continuation ceases. The certificate is also provided upon request of the enrollee within 24 months after coverage ceases.

This certificate may be used by former enrollees if they become covered under a new health plan which has preexisting condition limitations. The plans that have such limitations are required to reduce the length of time individuals have to wait for coverage to take effect for the preexisting condition by the period of time they were covered under a prior plan.

If you have any questions or if you have changed marital status, please call a service representative at 1-800-537-5865.

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## ***Glossary of Key Terms***

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*Sometimes, in order to accurately describe a benefit plan, it is necessary to utilize technical terms. To help you better understand them, the following are brief definitions of some of the most commonly used terms. They are not meant to be all-inclusive as each Plan or Program may have specific use which may vary.*

Programs for Delphi salaried employees referenced here are:

- Savings-Stock Purchase Program (S-SPP),
- Salaried Retirement Program (SRP)
- Salaried Health Care Program (SHCP), and
- Life and Disability Benefits Program.

**Account** — Assets credited to the participant in the trust fund established under the S-SPP.

**Actively at Work** — You are considered actively at work whenever you are performing the regular duties of your assignment, as determined by the Corporation, on a scheduled work day at one of the Corporation's places of business or at any other location to which the Corporation's business may require you to travel. Assignment includes both your regular assignment as well as any given on a temporary basis. If you are on an approved vacation as determined by the Corporation, or excused with pay, you shall be considered "actively at work" while on such approved vacation.

**Alternative Dental Plan (ADP)** — A dental plan that provides services on pre-paid or fee-for-service basis to participants in a designated geographic area.

**Ambulance Services** — Medically necessary transportation and life support services furnished within the SHCP provisions to sick, injured, or incapacitated patients by a licensed ambulance provider meeting program standards, utilizing ambulance vehicles, and personnel recognized as qualified to perform such services at the time and place where rendered.

**Annual Base Salary** — For the purposes of determining the amounts of disability coverage, annual base salary means: 12 times your monthly base salary including any premium for necessary continuous seven-day operations.

If you are eligible to participate in the election of coverage amounts under the Delphi Options! Program, your annual base salary for Life and Disability Benefits coverage shall be defined as your annual base salary as of September 1 of the year immediately preceding the Plan year.

**Assets** — Securities and cash in the participant's S-SPP account.

**Beneficiary** — The person, persons, or entity named by you, a plan participant, to receive the plan's benefits when you die — or if you die prior to receiving a benefit due you.

**Benefit Period** — A period of time during which an enrollee is entitled to receive certain covered services which are subject to Salaried Health Care Program maximums.

**Business Day** — Any day the New York Stock Exchange is open for business.

**Capital Appreciation** — Growth of a S-SPP participant's initial investment.

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**Carrier** — Any entity by which any of the various benefit program coverages are administered or benefits paid. The term includes, but is not limited to, the following:

- Delphi Automotive Systems Corporation;
- An insurance company; and
- Non-governmental administrative services organizations.

**COBRA** — Consolidated Omnibus Budget Reconciliation Act of 1985 — federal legislation providing continuation rights to certain employees or dependents whose health care coverage under company-sponsored programs is lost due to certain "qualifying events."

**Coinsurance** — The portion of a health care service cost paid by an insured Beneficiary expressed as a percentage compared with the portion of costs paid by the Carrier.

**Conversion** — An opportunity to obtain other available individual coverage on a self-paid basis, from the Carrier with which the employee enrolled at the time eligibility terminated.

**Copayments** — Specific amounts paid by the enrollee for a specified covered service. The amount varies depending on the covered service.

**Core Coverage** — Hospital, surgical, medical, prescription drug, hearing aid, mental health, substance abuse coverage and Extended Care coverages.

**Covered Expenses** — The reasonable and customary, preestablished, or contracted charges incurred for covered materials and services provided or rendered to or for an enrollee for treatment of illness or injury, and performed by a provider or prescribed by a physician in accordance with the provisions of the SHCP.

**Covered Service** — A service that is included within the range of services identified in the SHCP, and that meets all Program requirements to be eligible for payment of benefits. A service within the range of those identified in the SHCP (e.g., a diagnostic radiology service) but which does not meet all of the specifications to be eligible for benefit payment (e.g., medically necessary) is considered a non-covered service.

**Credited Service** — Includes all periods of regular employment for which you are paid. This period of time is used to determine eligibility for and amount of benefits under the SRP. It also may be used for eligibility purposes by other Programs and/or Plans.

**Current Market Value** — The value of your assets invested in the S-SPP's Promark Funds, Delphi Common Stock Fund, as may be applicable, based on the unit values as determined each business day by the Trustee. Also, the value of assets invested in the Mutual Funds based on the share values as determined each business day by the Mutual Fund provider.

**Custodial or Domiciliary Care or Services** — The type of care or service which, even if ordered by a physician, is primarily for the purpose of meeting personal needs of the patient or maintaining a level of function (as opposed to specific medical, surgical, or psychiatric care, or services designed to reduce the disability to the extent necessary to enable the patient to live without such care or services).

Custodial or domiciliary care generally does not require the continuing attention of medically skilled personnel, and usually can be provided by aides or other persons without special skills or training, operating without direct medical supervision. It may include, but is not limited to, help in getting in and out of bed, walking, bathing, dressing, toileting, meal preparation and eating, taking of medications, ostomy care, bed baths, hygiene or incontinence care, checking of routine vital signs, routine dressing changes, and routine skin care.

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The determination as to the nature of the care is not a function of the setting (e.g., hospital, skilled nursing facility, nursing home, another institutional setting, or the patient's home) or of the professional status of the person (e.g., physician, nurse, therapist, or aide) rendering the service, but of the severity of the patient's illness and the intensity of services being performed. The Carriers, or Utilization Review Organization, as appropriate shall have discretionary authority to interpret, apply, and construe this provision of the SHCP. The Carrier's determination as to the nature of the care being provided shall be given full force and effect unless it is determined by the Plan Administrator that the determination was inconsistent with the Program provisions or arbitrary and capricious.

**Deferred Savings** — S-SPP contributions deducted from an employee's eligible salary before federal income tax and other taxes (if applicable) are deducted (i.e., pre-tax employee contributions).

**Deferred Vested Benefits** — Vested benefits that become payable at a future date from the retirement program which vested employees or vested former employees are entitled to receive.

**Delphi Investment Service Center** — A facility that includes a touch-tone voice response system, an Internet website, as well as a staff of service representatives through which participants can obtain S-SPP account information and process transactions as provided under provisions of the Program. Fidelity provides the services for the Service Center.

**Delphi Matching Contributions** — The Corporation's matching contribution amount to an employee's S-SPP account.

**1% Delphi Benefit Contribution** — The semi-monthly Corporation contribution amount to an employee's S-SPP account equal to 1% of the employee's eligible salary. This Corporation contribution is provided to employees hired on or after January 1, 1993, upon (1) completing six months of service, and (2) becoming eligible to participate in the S-SPP.

**Dividend** — A payment by a corporation to its stockholders, usually representing a share in the company's earnings.

**Durable Medical Equipment** — Equipment which is able to withstand repeated use, is primarily and customarily used to serve a medical purpose, and is not generally useful to an enrollee in the absence of illness or injury.

**Eligible Salary** — Regular base salary payable under Corporation policy to employees during such period or periods as the employee is eligible to participate in the SRP or accumulate savings in the S-SPP. The term excludes commissions, drawing accounts, bonuses, incentive payments, overtime, and night-shift premiums, seven-day operation premiums, or any other special payments, fees, awards, and allowance, and in no event may exceed \$170,000 per year, as adjusted under the IRS Code. The term also excludes any amounts that are deducted from the base salary and paid for other than working (i.e., Sickness and Accident benefits while on leave).

**Emergency Room Services** — Services in the emergency room of a hospital are covered for the initial examination and treatment of conditions resulting from accidental injury or medical emergencies. A medical emergency is a permanent health-threatening or disabling condition, other than an accidental injury, which requires immediate medical attention. The condition must be of such a nature that severe symptoms occur suddenly and unexpectedly and that failure to render treatment immediately could result in significant impairment of bodily function, cause permanent damage to the patient's health, or place the patient's life in jeopardy. The patient's signs and symptoms verified by the treating physician at the time of treatment, and not the final diagnosis, must confirm the existence of a threat to the patient's life or bodily functions. A medical emergency will be considered to exist only if medical treatment is secured within 72 hours of the onset of the condition.

*If services are not in an emergency room and the Carrier determines the condition is not the result of an accidental injury or was not a medical emergency, the facility charges are not covered even though the professional charges of the physician may be covered (i.e., the charges comparable to an office visit).*

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*Covered facility services and expenses are reimbursed based on charges or consistent with "reasonable and customary" levels and/or the contractual arrangements that may exist between the Carrier and the hospital. If Blue Cross and Blue Shield (or any other Carrier that has participating agreements with hospitals) is your SMP, SPMP, or POS Carrier, coverage for services obtained from other facilities may be reduced.*

**Employee Assistance Program (EAP)** — A resource which provides employees, retirees and dependents with trained counselors who assist in resolving personal problems through counseling or referral to community services. Education and consultation services are also provided to management to assist in helping troubled employees or resolving problematic situations.

**ERISA** — The Employee Retirement Income Security Act of 1974, as amended.

**Exchange** — An exchange is a transfer of S-SPP assets from one investment fund to another.

**Extended Care Coverage (ECC)** — Coverage for certain hospital, skilled nursing facility, or home health care and other services that last beyond the base plan coverage limits, or that are not covered under the base plan because they are generally custodial in nature.

**Flexible Compensation Payment** — An annual compensation payment, in an amount determined by and at the discretion of the Corporation, which salaried employees may elect to receive in a lump-sum amount, installment payments, or contribute to their S-SPP account.

**Freestanding Ambulatory Surgical Center** — A facility, separate from a hospital, in which outpatient surgical services are provided. Such facilities must meet SHCP standards and be approved by the local Carrier.

**Freestanding Outpatient Physical Therapy Facility** — A facility, separate from a hospital, that provides outpatient physical therapy services. Such facilities must meet SHCP standards and be approved by the local Carrier.

**Health Maintenance Organization (HMO)** — An organization that provides health care services on a pre-paid basis for participants in a designated geographic area. Enrollees generally must use HMO physicians and facilities in order to receive benefits.

**HIPAA** — Health Insurance Portability and Accountability Act of 1996 — Federal legislation intended to improve the availability and portability of health care coverage, which requires employers to provide a certificate of prior health care coverage when an enrollee loses coverage.

**Home Health Care (HHC)** — Care or services provided in the home for a patient who is essentially homebound, but whose condition does not warrant care in an institutional setting (such as a hospital or skilled nursing facility). The care/service is generally skilled, part-time and intermittent in nature.

**Hospice Program** — Medical and non-medical services provided for terminally ill enrollees and their families through agencies which administer and coordinate the services. A hospice program must meet SHCP standards and be approved by the local Carrier.

**Intermittent Care** — Part-time care which is provided on less than a daily basis or up to eight hours per day of skilled nursing and home health aide services combined, delivered on a daily basis, but for a temporary period not to exceed one month.

**Length of Service (Service Date)** — Represents your current continuous period of employment with Delphi Automotive Systems. This service is used to determine participation in certain Programs or Plans.

**MetLife's Total Control Account Program® (TCA)** — Provides a Beneficiary with control of the proceeds from Delphi life insurances, including ready access to the money and earnings/interest on money remaining in their account.

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**Monthly Base Salary** — For purposes of determining amounts of coverage, "monthly base salary" means your current regular rate of pay each month, including the premium for necessary seven-day operation, but without overtime, night-shift premium or any other payment.

If you are eligible to participate in the election of coverage amounts under the Delphi Options! Program your annual base salary shall be defined under that Program.

**Mutual Fund** — An investment company whose business is to invest in the securities (stocks, bonds, and money market instruments) of other companies, banks, governments, or municipalities. All mutual funds have a stated investment goal. The investment company buys securities it believes will help to meet the defined investment objective.

**National Benefit Center** — A service center provided to Delphi employees that processes various benefit-related transactions, provides general benefit-related information and assists with problem resolution. MetLife provides the services for the National Benefit Center.

**Non-Core Coverages** — Dental and vision coverages.

**Orthotic Appliance** — An external device intended to correct any defect of form or function of the human body.

**Out-of-Pocket Maximum** — The most enrollees in a health care plan will pay in deductibles and most coinsurance/copayments for covered expenses during a calendar year. Usually any deductible plus most coinsurance amounts are applied toward the out-of-pocket maximum.

**Part A (Retirement Program)** — The non-contributory part of the Retirement Program.

**Part B (Retirement Program)** — The part of the Retirement Program that offers additional monthly benefits and requires eligible employees to make contributions. Delphi also contributes to Part B of the Retirement Program.

**Part B Credited Service** — The period of time you contribute to Part B of the Retirement Program, providing contributions remain in the Program. This service is used in calculation of supplementary benefits available under Part B of the Retirement Program.

**Participating or Approved Provider** — Any hospital, skilled nursing facility, outpatient physical therapy facility, home health care agency, physician, dentist, or other provider of health care services which, at the time an enrollee receives services included under SHCP, meets its standards and has entered into a contract or agreement with a Carrier to provide those health care services in accordance with the SHCP. Such contract or agreement shall include a provision that the provider accepts the amount of covered expenses, as determined by the Carrier, as payment in full (unless otherwise provided). Providers who are not participating providers may or may not participate for individual claims and accept the amount determined by the Carrier as payment in full.

**Part-Time Care** — Up to and including 28 hours per week of skilled nursing and home health aide services combined, for less than eight hours per day; or up to 35 hours per week for less than eight hours per day, subject to individual review and approval by the Carrier.

**Pension Administration Center (PAC)** — A centralized facility through which employees, retirees, and surviving spouses may obtain services regarding their benefits under the Salaried Retirement Program. EDS provides the services for PAC.

**Physical Therapy and/or Functional Occupational Therapy** — Therapy directed toward improving or restoring the level of musculoskeletal function lost due to illness or injury, the development of new function attainable following surgery, or, if for a chronic or congenital condition, significantly improving the condition in a reasonable and predictable period of time. Physical therapy generally pertains to large muscle use and functional occupational therapy to fine motor activities.

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**Physician** — A doctor of medicine (M.D.) or osteopathy (D.O.) legally qualified and licensed to practice medicine or osteopathic medicine and/or perform surgery at the time and place services are rendered or performed. As used herein, physician shall also include the following categories of limited-practice professionals who are legally qualified and licensed to practice their specialties at the time and place services are performed, and who render specified services they are legally qualified to perform:

- **Dentist** means doctor of dental surgery (D.D.S.) or a doctor of medical dentistry (D.M.D.) whose scope of practice is the diagnosis, prevention, and treatment of disease of the teeth and related structures.
- **Podiatrist** means a doctor of podiatric medicine (D.P.M.) or a doctor of surgical chiropody (D.S.C.) whose scope of practice is the diagnosis, prevention, and treatment of ailments of the feet. Services of podiatrists, relating to the foot (including the ankle), may be covered under the surgical and medical coverages. A podiatrist also may prescribe medications that may be covered under the prescription drug coverage.
- **Chiropractor** means a doctor of chiropractic (D.C.) whose scope of practice is the diagnosis and treatment of subluxation or misalignments of the spinal column and related bones and tissues that produce nerve interference. Services of chiropractors that may be covered are limited to diagnostic radiological services and emergency first-aid (as set forth in an administration manual published by the Control Plan), both pertaining to the spine and related bones and tissues. Under the SHCP, a chiropractor may not prescribe medications or perform invasive procedures or incisive surgical procedures, provide outpatient physical therapy services, nor perform physical examinations not related to the spine and related bones and tissues.

**Point of Service (POS) Plan** — A contracted arrangement with selected doctors, hospitals and other providers within a geographic area to provide care. POS enrollees must coordinate their care through their Primary Care Physician and use POS physicians and facilities in order to receive the maximum benefit under the Plan.

**Portfolio** — A collection of investment holdings either in a fund or one's personal account.

**Predetermination** — A review process performed by a Carrier, or Utilization Review Organization prior to treatment to determine if proposed treatments, services, or facilities may be appropriate. Generally in HMO plans, the Primary Care Physician performs this review.

**Preferred Provider Organization (PPO)** — An arrangement with selected doctors, hospitals and other providers within a geographic area to provide care on a fee-for-service basis. PPO enrollees must use PPO physicians and facilities in order to receive the maximum benefit under the plan.

**Primary Care Physician (PCP)** — A network physician selected by the enrollee or assigned by the health plan to coordinate the enrollee's medical care.

**Primary Plan** — Refers to the health care plan responsible to pay first when the covered person has coverage under more than one plan.

**Prime Rate** — The interest rate banks charge to their most credit-worthy customers.

**Principal** — The initial amount invested not including earnings.

**Private Duty Nursing** — Care or services provided by a nurse pursuant to a contract with a patient and/or a patient's family/personal representative. The services may be skilled or unskilled, therapeutic or custodial in nature and may be provided in any setting. Generally, the care contracted for is in excess of the care provided by an institution (such as a hospital or skilled nursing facility) or the part-time/intermittent/skilled care provided by a home health care agency.

**Prospectus** — A written description of a new security issue, a savings plan, or mutual fund.

**Prosthetic Appliance** — An artificial device that replaces an absent part of the body, or which aids the performance of a natural function of the body without replacing a missing part.

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**Reasonable and Customary Charge** — As it relates to covered health care expenses, unless otherwise specified, means the actual amount a provider charges for such services rendered or materials furnished, but only to the extent that the amount is reasonable, as determined by the Carrier, taking into consideration, among other factors, the following:

- The usual amount that the individual provider most frequently charges the majority of patients or customers for a similar service rendered or materials furnished;
- The prevailing range of charges made in the same geographic area by providers with similar training and experience for the service rendered or materials furnished; and
- Unusual circumstances or complications requiring additional time, skill, and experience in connection with the particular service rendered or materials furnished.

The Carrier is responsible for determining the appropriate reasonable and customary charge for a given provider, service, or material. The Carrier shall have discretionary authority to interpret, apply, and construe this provision of the SHCP. The determination by the Carrier as to the reasonable and customary charge shall be final and conclusive, and shall be given full force and effect unless it is determined by the Program Administrator to have been contrary to the SHCP provisions or it is proven that the determination was arbitrary and capricious.

As used in the SHCP, reasonable and customary also refers to the forms and/or amount of payment used by Carriers and preferred provider or similar organizations to reimburse participating or contracted providers for covered services.

**Regular Savings** — Contributions made by a participant to the S-SPP after federal income tax and other taxes (if applicable) are deducted from an employee's eligible salary (i.e., after-tax employee contributions).

**Required Retention Period** — The calendar year period from January 1 through December 31 in which employee and Corporation contributions are made to the S-SPP. During this period one-half of an employee's contributions, up to 7% of eligible salary, must be invested in the Delphi Common Stock Fund.

**Return** — Profit or loss made on an investment in the form of capital appreciation or depreciation, interest, dividends, or other income.

**Rollover** — A transfer of cash attributable to the taxable amount of an S-SPP or SRP distribution that would be taxable to the participant if not transferred from one qualified retirement plan to another qualified plan or to an IRA within 60 days.

**Secondary Plan** — Refers to the health care plan that has the secondary obligation to pay benefits when more than one health care plan covers an individual.

**Share** — The measure of a participant's interest in a mutual fund.

**Skilled Nursing Care** — Care or services that are prescribed by a physician and furnished by a licensed registered nurse (RN) or licensed practical nurse (LPN). The services may be provided on a continuous (as in a hospital or skilled nursing facility) or on an intermittent/part-time basis. The patient must be under treatment and/or convalescing from an illness or injury that requires ongoing evaluation and adjustment of care. The nature of the service and skills required for safe and effective delivery, rather than the patient's medical condition, determines whether the service is skilled.

**Skilled Nursing Facility (SNF)** — A facility providing convalescent and long-term illness care with continuous nursing and other health care services by, or under the supervision of, a physician and a registered nurse. The facility may be operated either independently or as part of an accredited general hospital. A skilled nursing facility must meet SHCP standards and be approved by the local Carrier.

**Surviving Spouse Coverage** — If eligible, may automatically provide health care and/or SRP benefits for your eligible spouse in the event that you die before your spouse.

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**Therapeutic Care** — Specific and definitive surgical, medical, psychiatric, or other care provided to a patient whose condition continues to improve due to the treatment being received. It is provided with the expectation that the patient's level of disability will be reduced, within a reasonably predictable period of time, to enable the patient to function without such care. The improvement must be observable and documented by objective measurement. If a patient's condition stabilizes and further improvement is not reasonably predictable, continuing care will be considered maintenance care in nature.

**Total and Permanent Disability Retirement (T&PD)** — Where based on medical evidence satisfactory to Delphi, the employee is found to be wholly and permanently prevented from engaging in regular employment at the location last employed. (This definition does not apply to Personal Accident Insurance.)

**Trustee** — The fiduciary responsible for holding the benefits or assets of a Program or Plan. Delphi's current Trustees for the SRP and S-SPP are listed on page 129.

**Unit** — The measure of a participant's interests in the S-SPP's Delphi Common Stock Fund and Promark Funds.

**Utilization Review Organization** — An organization retained to perform certain health care utilization review and utilization management functions, including predetermination, concurrent and retrospective utilization review.

**Vested Benefits** — Vested benefits that become payable at a future date from the Retirement program and S-SPP which employees or former employees are entitled to receive.

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## Acronyms

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ADP — Alternative Dental Plan  
BMP — Basic Medical Plan  
CMS — The Centers for Medicare and Medicaid Services  
COB — Coordination Of Benefits  
COBRA — Consolidated Omnibus Budget Reconciliation Act of 1985  
DMB — Daily Maximum Benefit  
EAP — Employee Assistance Program  
EBPC — Employee Benefit Plans Committee  
EMP — Enhanced Medical Plan  
EOB — Explanation Of Benefits  
ERISA — The Employee Retirement Income Security Act of 1974, as amended  
FMLA — Family and Medical Leave Act of 1993  
FSA — Flexible Spending Account  
HIPAA — Health Insurance Portability and Accountability Act of 1996  
HMO — Health Maintenance Organization  
IRA — Individual Retirement Account  
IRS — Internal Revenue Service  
LMB — Lifetime Maximum Benefit  
LTC — Long-Term Care  
PBGC — Pension Benefit Guaranty Corporation  
PCP — Prietary Care Physician  
PPO — Preferred Provider Organization  
POS — Point Of Service  
PRIP — Personal Retirement Income Plan  
SADL — Significant Activities of Daily Living  
SHCP — Salaried Health Care Program  
SRP — Salaried Retirement Plan  
SSDIB — Social Security Disability Insurance Benefits  
S-SPP — Savings-Stack Purchase Program  
TCA — MetLife's Total Control Account®

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